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THE LIGHT OF REASON

A SOLUTION OF
THE ECONOMIC RIDDLE

BY
A. B. FRANKLIN



CHARLES H. KERR & COMPANY, PUBLISHERS
56 FIFTH AVENUE, CHICAGO

PRICE, 35 CENTS





Yours truly
A. B. Franklin

The Light of Reason

SHOWING THE FIRST STEP THE NATION
SHOULD TAKE TOWARD A SOCIAL
ORDER BASED ON JUSTICE



BY

A. B. FRANKLIN

CHICAGO
CHARLES H. KERR & COMPANY
56 FIFTH AVENUE

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PREFACE.

A glance at the opening chapters of this book might lead to the impression that it is a mere work of fiction without particular aim or purpose other than to entertain, but such is far from being the case.

Though it contains a story it is in reality, as indicated by its title, a treatise on the living questions of the day with which we are one and all concerned.

Its particular claim to public favor lies in the fact that it elucidates the manner by which the obstructions that lie in the path of progress may be removed, so that mankind may receive the full benefit of the discoveries made, and the knowledge gained by the human intellect.

That some of its readers, especially such as are well along in years, will disagree with its conclusions is but to be expected.

Youth is progressive. Its hopes lie in the future, and for that reason it readily approves of innovations which it is convinced are for the public good.

On the other hand, old age is conservative. It lives in the past, and is loath to adopt usages other than those to which it has become accustomed. But while the older generation is gradually relinquishing control of affairs, the younger is acceding to power, and will, as it inevitably must, mould the destiny of the nation in the immediate future.

Yet, if the adult reader will for the time being, di-

vest himself of preconceived prejudice so that he may peruse the pages of the "Light of Reason" with unbiased understanding, he will be surprised to find how readily the mental haze surrounding public questions will dissolve, and how clearly the significance of current events will, in an atmosphere of altruism, unfold itself to his vision.

THE LIGHT OF REASON.

CHAPTER I.

No premonition of danger came to banker Rodney Holcomb as, pale, haggard and depressed in spirit, he crossed the gang plank of a steamer lying at a Philadelphia wharf, for an extended trip to foreign lands.

Many years before, he became enamored of Eleanor Marlowe, a dark-haired, prepossessing, stately heiress whom he subsequently married.

Their combined means left no doubt of their ability to keep the wolf from the door, and when, in time, a male heir put in an appearance their cup of happiness was full to overflowing.

A few months before our story opens, this son, their only child, had reached his majority, and, owing perhaps to having in the course of years imbibed the humanitarian views of an instructor in the college he attended, he neither developed the aristocratic tendencies of his mother, nor the money getting propensities of his father.

The home relations of the family, however, moved along serenely until Arthur Holcomb showed a predilection for a young lady who did not find favor in the mother's eyes, which circumstance led to the first discord of moment that ever found its way into the banker's luxurious home.

About that time it happened that an important business complication upon the Pacific slope required attention, and upon this mission, which it was expected would take several months to straighten out, young Holcomb was dispatched.

But within sixty days a letter from him imparted the information that the matter had been satisfactorily arranged. In addition it announced the young man's intention to start immediately upon a trip to the gold fields upon the tributaries of the Yukon, and that at least six months would elapse before his return.

This sudden determination on his part rather met with his parents approval, his mother especially concluding that a prolonged separation from the object of his affections might assist in bringing about a change of mind.

But one day word came from the far north of a terrible disaster to a party who had ventured along a dangerous mountain path at an inopportune time, and among the list of those who had met their fate appeared the name of Arthur Holcomb.

The parents of the young man were naturally terribly shocked on receipt of the news, and while it nearly drove the father to distraction, it brought on an attack of heart failure in the mother which caused her death. Continued grieving over his double bereavement soon brought Rodney Holcomb to the verge of physical collapse, and upon the advice of his physician and friends, he was embarking upon his journey in the hope that changing scenes, preoccupying his mind, would restore him to his former self.

As the sequel proved, the immediate object of the trip upon which he had embarked was more than ac-

complished, but the undesirable results otherwise could certainly not have been anticipated.

The steamer which carried him across the Atlantic landed him safely on the other side, and his journey across the continent, including stops more or less prolonged at various places of interest, was devoid of any incident of an unusual character.

But a steamer on which he subsequently took passage for the Orient, met with disaster while speeding along off the African coast.

Her machinery broke down while laboring under the stress of a furious gale with a heavy sea running, and her machinists being unable to repair the damage, for a week or more she was buffeted about in a helpless condition, drifting completely out of her course, and away from the usual track of the merchant marine.

And one day, in the midst of a dense fog which had hung about the ship for hours, something not altogether unexpected happened.

There came a sudden shock, a grating and creaking noise, and a crushing of timbers as the vessel struck upon a submerged rocky formation.

Intense excitement immediately possessed passengers and crew, and orders were rapidly given to lower boats and provision them, but before this could be done the ship careened to one side, her prow rose in the air, and sliding off the ledge on which she struck she went down stern foremost carrying those on board of her to a watery grave.

Not all, for strange to say, only Rodney Holcomb clinging for life to a piece of flotsam survived to tell the tale.

For many hours he drifted thus about until finally

cast ashore upon an island which, providentially enough for him, provided food sufficient to sustain life; and on this island for twenty long years he lived, like Robinson Crusoe, solitary and alone, scanning many times a day the vast expanse of water that encompassed him about, to discern the possible approach of some vessel upon which he might return to civilization. Now and then a sail appeared upon the horizon, but not until the lapse of two decades did any of the various signals he regularly hoisted attract attention.

A merchantman considerably out of its course, sent a row boat to investigate what appeared to be indications of human life upon a seemingly barren island, and shortly he was once again in the companionship of men of his own race who generously supplied him with such raiment as he urgently stood in need.

In two short weeks he disembarked at the wharf of a great city on the African coast.

Here had been located a financial institution which in former times had honored letters of credit he had issued to tourists and commercial men.

But was it still in existence? And if so, was his friend, Silas Burton, still connected with it, or for that matter, still in the land of the living?

These were the questions he asked himself as he wended his way towards the business district of the city.

He shortly discovered that the banking concern no more existed, but the friend of his youth, like himself well along in years, was still enjoying life, and they were soon in each other's presence.

They had grown up in the same town, were chums at school and at college, and their intimacy had been carried into their business careers through the transac-

tions of exchange connected with the banker's vocation in which they had both embarked.

Once before since Burton had located in the English colony on the African coast he had been visited by Holcomb, on which occasion the pranks of their boyhood days, reappearing in the wreaths of smoke that rose from their cigars, had been successively recalled.

But more than twenty-one years had passed since that last meeting, and so changed were they in appearance that only on close scrutiny could either recognize the other.

Nevertheless the old familiar lines of their features disclosed themselves rapidly on contemplation, their voices had but slightly changed with advancing age, and shortly after their meeting face to face, long before they had once again begun to recall the by-gone days of "auld lang syne," he of the bronzed visage was cordially greeted as one who had seemingly returned from the dead—who had embarked on a ship which never reached its destination, and from which no tidings ever came.



CHAPTER II.

Notwithstanding the many years of his involuntary isolation, Rodney Holcomb found himself possessed of considerable means. Before embarking on his fateful journey, he had remitted Burton, with instructions that he retain the same until called for, bills of exchange for ten thousand dollars.

These funds, intended to meet whatever expense he might incur in the Orient, still remained intact in the hands of his friend. When they had been transferred to his credit on the books of the government bank, he provided himself with attire suitable to the station in life in which he had formerly moved, and, at least so far as his physical comfort was concerned, felt comparatively at ease.

"Oh, Mr. Holcomb, read this," remarked Mrs. Eudora Burton on the evening of his arrival, directing his attention to an article in the afternoon edition of the local paper.

They had been acquainted even before her marriage to his old chum, and he attended their nuptials but a short time before their departure for their present place of abode.

She had ever been of a happy cheery disposition, and it may be imagined that when Rodney Holcomb reappeared so unexpectedly, she was the most surprised

woman on earth. "If ever a miracle happened this is one," she had exclaimed in the exuberance of her joy as she cordially greeted him on his arrival.

The newspaper which she handed him was dated June 12, 1919, and the item to which she referred proved to be an account of his extraordinary adventure in detail.

Already the telegraph had flashed the story of his strange experience, and the fate of the "Cleopatra," her passengers and crew, to every portion of the civilized world.

A most welcome surprise—one which filled the heart of the elderly man just returned from involuntary exile with joy and gladness—was the information imparted to him shortly after his arrival that his son, whom he had considered dead, was alive and well in his American home, and more than that, had become prominent in the affairs of the republic.

"Arthur had grown up to be a sensible, level-headed young man," he remarked the following evening in the luxurious drawing room of the Burton home, "and I now perceive that we were wrong in our opposition to his marriage to the young lady of his choice."

"We naturally expected him to wed some one of the many estimable young ladies of his acquaintance moving in aristocratic circles, but one day he declared his preference for Gertrude Wiloughby who had been teaching school to help support her younger sisters and her widowed mother, and nothing we could say could influence him to depart from that decision."

"A sensible young man can usually be depended upon to make a wise choice of a life partner without pa-

rental advice," said Silas Burton, and turning to his wife, he added in a spirit of badinage, "can't he Dora?"

"You think because you did, everybody can," replied Mrs. Burton, scoring a point in repartee.

"And then," said Mr. Burton, continuing the thread of his friend's discourse after the smile provoked by the bit of pleasantry indulged in had subsided, "Arthur went off on a western trip, and quite unexpectedly to Alaska."

"Yes," coincided the other, a momentary shade of sadness passing over his features, "he went to Alaska. And you tell me," he continued, "that the Arthur Holcomb whom the dispatches reported lost in the avalanche was not our Arthur but some other person of the same name, and that after it was certain the ship on which I embarked had met with disaster, my son came over here, nearly to the antipodes, in order to be where he might render me possible assistance!"

"Yes," said Mrs. Burton, "he declared that something told him you had not been drowned, and when Silas offered to turn over to him the funds you had remitted for your requirements, he refused to accept them saying that you would yet call for them in person. I consider the intuitive belief in your safety which he entertained a most remarkable circumstance."

"And more than that," added Mr. Burton, "he said he would come again, and that he believed we would meet you here uninjured and restored to perfect health."

Just then Edna Burton, lovely as a picture attired in pink and white, appeared in the open doorway, and announced the arrival of a cablegram for Mr. Holcomb.

It was a message from his son, and after bestowing a glance upon it, he read aloud its contents which ran as follows:

“Gertrude and I and the children will meet you at Burton’s. Stay until we arrive.”

ARTHUR.

CHAPTER III.

"There!" exclaimed Mrs. Burton after those present had surveyed each other's countenance for a moment in silent surprise. "What he as well as predicted is coming true to the letter. It is simply wonderful."

"It does seem extraordinary," said the recipient of the welcome message, "but after all, what he said and decided upon must have been based entirely upon what he hoped would come about. It was impossible for him to know."

"Of course," he continued, "he related to you his experiences in the gold fields of Alaska?"

"He did, and his account of them was quite entertaining," replied Mrs. Burton.

"He mentioned, however, that he did not journey to the far north for the purpose of searching for gold, but through a desire to observe and study human nature amidst the successes, failures and excitements of a mining region. He seemed thoroughly possessed of the advanced ideas which have since been accepted by governments the world over, and he ridiculed the idea of society retaining in use as money a commodity to obtain which, men traversed dreary wastes in the face of cold, hunger, privation and death, when its use for such a purpose could just as well as not be dispensed with.

He stated then that he had started to write for pub-

lication upon the subject, and it is generally conceded that his treatise on the science of government which subsequently appeared, contributed in no small degree to the enlightenment of the masses upon the currency and other questions.”

“I am glad to hear that,” said the father of the young man thus praiseworthily alluded to, “and it is what might have been expected of him, judging from the many works on government he accumulated, whose contents he eagerly devoured.”

“In many things Arthur was altogether different from the sons of the rich in general. He had a keen sense of natural right and justice, sympathized with the weaker elements of society, and once remarked that he could understand how men would always do society useful service in the production and the distribution of commodities, in the professions, the arts, the sciences and in other ways, but while it might be a necessary evil under the existing state of affairs for individuals to gain a livelihood through the taking of interest and the discounting of commercial paper, he did not consider such vocations as that of the private banker at all necessary under a proper rational social and industrial system. He was particularly careful in the selection of his associates, never consorting with young men who cared for naught else but to have a good time, and, though he repeatedly declared he never would connect himself with any banking institution, I thought the world of the boy because of his good qualities and dignified manliness, and you can imagine how I felt when I saw the name of Arthur Holcomb among those reported overwhelmed on the glacier.”

“He related to us how he became interested in pub-

lic questions," said Mr. Burton, "and was considerably surprised when I exhibited to him one of his earlier essays in print, the one you once enclosed in a letter if you remember. He remarked when he saw it in the scrap book in which I had it preserved that it was the first paper he presented to the 'Good Government Club' after becoming a member, and that it merely hinted at changes which it was becoming evident would before long be made in home government."

"I recollect sending you the clipping," said the man addressed, "but its contents has entirely slipped my memory."

"Would you like to hear it read, Mr. Holcomb?" asked Edna who had remained in the room after the departure of the uniformed employe of the telegraph service who delivered the cablegram; "it is not very lengthy."

"I think I would enjoy having it recalled at this particular time," the elderly man addressed replied.

Edna, though not quite seventeen, had very nearly completed her education, and besides the usual run of studies she had taken a course in elocution. The book-case was near at hand and in a few moments she began the reading of the essay in a clear, musical, well modulated voice.

CHAPTER IV.

It ran as follows:

We take a natural pride in our common country, and truthfully claim to have, on the whole, the grandest democracy that has as yet been reared on earth.

But even its founders admitted that it was far from perfect at its inception, and since their day it has not been materially improved upon.

Such being the case, why not set about to ascertain of what those imperfections consist, and in what direction improvement in government lies?

We frame our own social regulations, so that we can make our institutions conform to whatever will best conduce to the prosperity, happiness and contentment of the people, and to that end can without let or hindrance alter or abolish laws or constitutions that stand in the way at will.

When we contemplate society and find a limited few in possession of the bulk of the wealth of the nation; find them usurping governmental functions in transportation and exchange, controlling the avenues of intelligence and monopolizing the necessities of life, while the many are madly competing with one another for an existence, and an army of unemployed clamor, not for charity, but for an opportunity to gain a livelihood by honest labor, we naturally conclude that something

must be radically wrong in the regulations by which society is governed to bring about such results.

But what is to be done?

Happily an answer is at hand. Every nation of earth labors under difficulties more or less similar to our own, and if we examine into the remedy to which the people of older settled countries are turning, we soon become convinced that the measures for improvement in government which they propose to introduce will bring full and adequate relief. If we expect to progress, we must not shut our eyes to what is going on in the great world of which this nation is but a part.

Would it be wise for the Chinese say, to ignore the advances we and other nations have made, in a consideration of the adoption by them of an improved form of government?

And does a monopoly of wisdom rest with us who have made use of the printing press, the chronometer, the cathode ray and a thousand other things of foreign origin?

If so, how is it that we alone of the great nations of earth are confronted by either a railroad or a telegraph problem? And do we take notice that in all those countries where the operation of the railroads and the telegraph runs along as smoothly, uninterruptedly and as satisfactorily as does our mail service, both railroads and telegraph are owned, controlled and operated by the nation—by the people collectively?

True, we are agitating for government railroads and telegraph, but what are the millions in France and Germany and Belgium and other countries where such institutions are already collectively owned agitating for? Surely not to turn such institutions over to individuals.

Of the various political parties in those countries not a single one makes claim that government ownership is a failure and demands its abolition. On the contrary no fault is found with collective ownership in any country.

What they are agitating for, is, that the remainder of the industries, including agriculture, now conducted by private enterprise, be similarly placed under collective management and control.

More and more of the citizens of those nations are becoming convinced that the welfare of the people as a whole, which is the primary object of government, can be best promoted by each respective nation taking entire charge of its industrial affairs, and that only in this manner can the rights of the individuals of a nation be properly adjusted, and a more equal distribution of the comforts of life be secured.

It is the practical application of this theory, which accords with the trend of natural and unobstructed evolution, that is being urged for adoption by the progressive element in every advanced nation of earth, and within the range of its potentiality will be found a solution of the various problems with which the people of our republic are confronted.

As a nation, we are not ready for the adoption of so radical a change of industrial conditions in its entirety, but the time is ripe when the first steps leading in that direction should be taken.



CHAPTER V.

"Now that my memory has been refreshed, the substance of the article comes back to me very clearly," said Mr. Holcomb, when Edna had finished reading the clipping, "and from what I observe," he continued, "things seem to have shaped themselves into a system very similar to the social order whose adoption he was assisting to bring about."

"Precisely," remarked his life long friend, "and," he continued, "notwithstanding the fact that when that article was penned the people of the United States were in some respects more conservative than those of other countries, they were, after all, the first to discover the road leading to permanent prosperity."

And then day by day while awaiting the arrival of Arthur and his family, Rodney Holcomb took notice of the stupendous changes that had been made in business methods since on a May-day morning in the closing year of the previous century, twenty years before, from the hurricane deck of an ocean liner, he had watched the spires of the city of his abode fade gradually away until lost to view in the distance. And the more he observed those changes, the more did they gain favor in his estimation.

Industry was being carried on by the people collectively. No capitalists gathered to themselves the surplus wealth which the toilers produced. This now

found its way into the national treasury, and with the social capital thus created the people built factories and workshops and opened up to themselves the hitherto closed avenues of employment.

The citizens through their postal savings system did their own banking. No commercial banks were necessary, because both production and distribution were being carried on by society as a whole. Individuals purchased their necessities in great trade bazaars owned controlled and supervised directly by government. Land was being cultivated collectively with the latest improved appliances and inventions. Such a thing as taxation was unknown; there was no necessity for it whatever. Speculation in commodities, commission brokerage and insurance of every description was abolished. Neither was there a private charity organization in existence. Society as a whole provided the best of medical attendance to its membership when required, and it discharged its proper duty of caring for the blind, the crippled and for those in any way incapable of rendering useful public service.

And the construction of public works, which included the erection of commodious homes for the people, went on without cessation.

All these things which tended to enhance the happiness of the people drew forth from him expressions of approval and admiration. "I doubt," said he one day enthusiastically, "if you people who have seen these changes made slowly and gradually realize their grandeur as I do who have had them suddenly unfolded to my vision. It is amazing! bewildering! wonderful!"

One evening on leaving the Burton home after the usual social chat, he took with him for perusal the pub-

lication which Arthur had composed, which, as he had been told, had contributed greatly toward bringing about the new social order.

It was entitled "Society," and, substantially reproduced, ran as follows:



SOCIETY

Not that society in frills and lace and gold, but that composite whole embracing all mankind.

PREFACE.

The reader has perhaps seen and remembers the old wooden block puzzle, the pieces of which when fitted together formed a symmetrical bunch roughly round.

It was a perplexing thing which could not be put together without making use of each and every block, and assigning it to its proper position in the make-up of the whole.

When the pieces were properly arranged and the puzzle was solved, like when the details of an invention or discovery are made known, it all became very simple. There is a good deal of similarity between the old wooden puzzle and the social organization.

Society is a compact body whose tranquility depends upon the harmonious relation towards each other of the elements of which it is composed. Every problem with which it is confronted admits of ready solution. But all public questions are inter-related, and each must have its proper place in a correct alignment.

When this is done, like when one knows how to put the wooden puzzle together, it will all seem very simple.

But until each and all of the questions which affect our material existence are properly adjusted, the times, like the blocks of the wooden puzzle when not correctly put together, must continue, as they are now, "out of joint."

INTRODUCTION.

As part of the inscrutable design of the Creator of the Universe, man alone of the various forms of animal life on earth has been endowed with reason, understanding and superior qualities of mind otherwise, which enable him to provide for his immediate subsistence and comfort, to transmit and perpetuate his discoveries in the intellectual field, and to appreciate the mental powers and advantages with which he has been favored.

Man is pre-eminently a thinking creature, and to the extent that he has utilized the mental faculties with which he has been endowed has civilization advanced.

There is a marked difference, however, in the advance of mechanical and scientific knowledge promoted by the individual, and of social progress which necessitates the co-operation of the individual members of which society is composed.

Progressive ideas in the field of scientific discovery and invention are given to the world after successful experimentation or demonstration, and are utilized at once.

Not so with a theory indicating how the people through their government might proceed to better their condition.

Such a theory admits of experimentation only when practically applied. Nevertheless, one by one, individuals may perceive that in some certain theory sug-

gested, the right road to a betterment of social conditions has been pointed out, and when the circle of those co-operating for its adoption becomes sufficiently extended, we have social progress.

Consequently, the advancement of society as a whole depends entirely upon the intelligent discernment of its members as regards what is best for its welfare.

SOCIETY.—I.

LAND.

Some six thousand or more years ago, man and woman awoke to the consciousness that they were beings endowed with superior intelligence, and were, by the Creator of all, given dominion over the land and the waters of the earth.

The land was fair to look upon even as a garden. Luscious fruit and other edibles sprung in profusion from the soil, cattle and sheep in an undomesticated state roamed the hillsides, and with fish and fowl conveniently at hand, the earlier progenitors of the race had but to reach out into nature for their subsistence.

And, in the course of time, long before the advent of any who cultivated the soil in even the most crude and primitive way, came those who upon the unclaimed pastures stretching away in every direction, tended flocks and herds.

For several centuries in the infancy of civilization while land was plenty and population sparse, it was not difficult for individuals to maintain fairly amicable relations towards each other as regards the possession of land. Nevertheless the land question made its appearance at a comparatively early period.

Some portions of the land, just as they are at the present time, were better than others, and for that reason were eagerly taken possession of by the owners of

the ever increasing flocks and herds; and later on, when men began to cultivate the soil, the strife for land became intensified.

Yet the only title to land during those centuries was the right of use and control conceded to individuals because of priority in taking possession, and of occupancy.

But as time passed, the more powerful, the more cunning, and the more grasping of the citizenship claimed and took possession of great bodies of land, and the ignorant, the weak, and the less calculating were taken advantage of, just as they are at the present time, and soon came to consider those who had amassed wealth in cattle and sheep and landed estates as the persons to whom to look for a chance to labor in order to gain a subsistence, and it might be added that this was perfectly natural and proper, then, as it is even now, in a competitive state of society.

Land being the natural storehouse from which all that is essential to the support of man is derived, it followed, that men who were not possessed of land, nor were indirectly deriving support from it through labor performed for land-owners or in some other legitimate way, were of necessity compelled to wander off to new localities in search of opportunities to earn a competence which in the older settled communities were presented to but a limited number, and in this manner population, perhaps at first limited to portions of Asia, spread into Africa, into Europe and completed its circuit of the globe when, after its discovery by Columbus, it took possession of the American continent.

Early in the world's history the right to the possession and use of land came to be looked upon as trans-

ferable property, and passing by inheritance, and from hand to hand for a consideration, we can readily conceive how, in time, the original relation of man to land became obscured, and the idea that the absolute title to land would for all time, be transferred from individual to individual became fixed in the minds of men. However, as long as free land could still be obtained, no harm came to society from regulations permitting private land ownership and providing a means for its transfer.

In fact, laws providing for the ownership and transfer of land were unquestionably right, proper, just and equitable throughout the period in which the earth was being taken possession of.

Have the lands of the earth been appropriated, is the query to which these reflections give rise!

Vast tracts of land have never as yet been cultivated, but the conceded right of the individual to the unlimited ownership of land carries with it the absolute right of its disposition, and since the introduction of parchment, whereby documentary evidence relating to land ownership might be preserved, it has become possible and an every-day occurrence to obtain and retain title to land without either actual use or occupation. And it has come to pass that the title deeds to the earth are on record, so that men can not anywhere take up free land to acquire that competence which, though still earned by a limited number who either directly or indirectly derive their support from land, is denied to an ever increasing percentage of the population.

SOCIETY.—II.

LAND (Continued).

When we reflect upon the fact that we are compelled to resort to land for food, raiment, shelter and every material thing which we create for either ornament or use, it becomes clearly evident that land, by the will of its Creator, was intended for the support of the entire human race.

Not alone for the living of any one era in time, but for all succeeding generations as well. When through social regulations permitting the transfer of the title to land for a consideration, or the acquirement of the same by inheritance, the soil of a nation has passed into the possession of a limited number of individuals, with population ever on the increase, it manifestly becomes diverted from its intended purpose—the support of all—and no matter how plentiful may be the harvests which it yields, the disinherited are not permitted to share in its bounties.*

*“Natural justice can recognize no right in one man to the possession and enjoyment of land that is not equally the right of all his fellows,” says Henry George in “Progress and Poverty,” and by way of annotation he adds: “This natural and inalienable right to the equal use and enjoyment of land is so apparent that it has been recognized by men wherever force or habit has not blunted first perceptions.” To give but one instance. The white settlers of New Zealand found themselves unable to get from the Maoris what the latter considered a complete title to land, because,

We now have laws sustaining the absolute ownership of land by individuals.

But laws are the creation of society, and whenever the condition of a considerable portion of the citizenry indicates that a change in social regulations so as to abolish private ownership in land would be for the public good, codes and constitutions may and ought to be changed accordingly. Existing titles to land must be considered, what they really are; temporary expedients to adjust the rights of settlers in a new country until such a time as land can no more be taken up free. For with the coming of the first individual who can no more obtain free land—when payment is demanded before he can derive his support from the soil—the situation changes, the temporary expedient by which the lands have become settled up is at an end, and it becomes the duty of the collectivity, in whom the title to the land parcelled out is naturally vested, to make such collective use of land that each and all may derive that support from the soil to which they are naturally and of right entitled. The time has come when free land can no more be obtained; when it is clearly against public policy to continue disposing of the remaining lands of the nation as in the past, and when collective use of the soil must be made for the common good. For these reasons, keeping in view the interests of the disinherited members of our common society, and our duty so

although a whole tribe might have consented to a sale they would still claim with every new child born among them an additional payment on the ground that they had only parted with their own rights, and could not sell those of the unborn. The government was obliged to step in and settle the matter by buying land for a tribal annuity, in which every child that is born acquires a share.

to arrange that the millions yet unborn will not be deprived of their rightful share in the world into which they will be ushered, it behooves us to refrain from granting away even a single foot of the lands still collectively owned by the people, for any purpose or for any consideration whatsoever.

SOCIETY.—III.

LAND (Concluded.)

It seems rather idle to speculate upon what might have been done as regards land by the founders of our government, yet we may with profit indulge in a few reflections upon that subject.

Following European customs the colonists had before the War of the Revolution, individually acquired title to the lands they occupied, so that the conditions then existing as regards land were virtually recognized and incorporated into the new social compact with no attempt at change. Still there remained the vast territory stretching away toward the setting sun—the splendid domain the last remnants of which we are parcelling out this very day.*

Had government retained the title to this land, leased it out in small tracts at a low rental, and later on, when steam succeeded horse power in locomotion, built short stretches of railroad between the most promising points, extending such from time to time until the land was gridironed with these modern vehicles of

*While we are still disposing of the remnant of our public lands, New Zealand is repurchasing its landed estates, and leasing them to actual cultivators for fixed terms. To this end laws have been enacted that government have the option to acquire land at the valuation at which it has been returned for taxation.

transportation, the major portion of the problems that now confront the nation would not have arisen.

But it was not done, and this misstep so momentous in its consequences will yet have to be retraced—these lands will have to be repurchased by the collectivity from the individuals into whose possession they have legitimately come under the policies which we pursued.

It is only when population has increased to such an extent that the arable lands of a new country are all taken up, that the truth dawns upon the people that no provision for support of the generations yet unborn has been made, and that these, when ushered bare-handed into the world will find the land of the earth and its resources in the possession of those with whom they will be compelled to make terms before they will be permitted to derive a subsistence from the soil.

All men should have recourse upon the land for support, but this does not mean that all men should derive their support in whole or in part from agriculture, though in fact all men do either directly or indirectly derive their support from the earth.

Were farms reduced in size to keep pace with increase in population they would, in time, become so small that the use of even ordinary machinery in their cultivation would not be profitable.

Population, especially in the older settled districts, is becoming dense, and patches of land in millions of small holdings are being cultivated the world over. And how much unremitting toil, and how little of cheer and comfort comes into the lives of these agrarians who perhaps manage to eke out a hand to mouth existence! The tendency in agriculture, like in manufactures, is away from small production, and in the direction of

production on an extensive scale. With the so-called bonanza farms of the west, approximating an entire county in size, the raiser of wheat on a small scale can not successfully compete, and the large tracts of land which capitalists are acquiring for cultivation are becoming more numerous year by year.

Only by production on a large scale, and the employment of the latest discoveries that tend to lessen cost of production can agriculture even now be made remunerative where farmers compete with each other in the home market, and all in turn compete with the producers of food products in foreign lands.

Do not the agriculturalists of the country then perceive that it is the grinding down process of competitive production which is the cause of the depression in agriculture, and that an inconceivable amount of drudgery, worry and hardship could be averted by consolidating the landed interests of the country so that the entire soil of the nation would be operated, managed and controlled as a single industrial enterprise for the public good?

Such an arrangement would not alone make foreign competition in agricultural products a thing of the past but it would also solve the problem of how best to dispose of the vast stretches of territory known as the arid lands of the west. These would be made fertile through great irrigating canals which government would construct, and the resources of the land put to collective use.

The time is not far distant when the title to all the land within our borders will be vested in the collectivity. The arduous tasks of agriculture will then be performed by steam and electric machinery whose arms of

steel will sweep over vast areas unimpeded by a maze of fences such as are now set up as lines of demarkation between neighbors whose interest in the common soil should be identical.

There can be no grander conception than the great national farm of a co-operative commonwealth, extending from ocean to ocean, studded with a thousand magnificent cities beside which the urban conglomerations of the present time would appear but as shabby caricatures.

Only in this manner can the foundation of a system by which all may be assured the opportunities to acquire the comforts of existence, be laid. Upon this foundation will rest all the departments of human activity, carried on by the people collectively, furnishing avenues of employment to all, and in this manner will all men have recourse upon the land for support.

SOCIETY.—IV.

WEALTH.

We may reasonably conjecture that, beginning at a very early period in the history of mankind, individuals realized the necessity of laying up a store for future subsistence and comfort out of what nature lavishly produced. They proceeded to accumulate a food and a fuel supply; the skins of animals which they entrapped and slew served them as raiment, and rude habitations constructed of logs and the branches of trees gave them shelter.

These fruits of their labor together with such other necessities as their primitive mode of living suggested and their creative capacities enabled them to produce, were wealth, just as are solely and alone the comforts of life at the present time.

Individuals in this manner provided for their own necessities until men began to exchange commodities which they produced for those which others produced, each seeking not to give more labor value in exchange than what he received, and thus the competitive methods of acquiring a living to which we still adhere, sprang into existence. Selfishness immediately became the foundation upon which the industrial structure was erected, and the accumulation of the means of subsistence and as many of the comforts of life as possible a praiseworthy and laudable endeavor.

But in the nature of things no one knew when he had a sufficiency—when he had a competence, and so by universal custom which by continued usage came to be considered a lawful right, even like unto this very day, individuals proceeded to accumulate wealth without limit.

Such a social order worked comparatively little hardship before the days of steam and electricity when men were unable to produce more than could be consumed; but in these days of labor saving machinery when we can produce more than we can possibly consume; when the title deeds to the earth are on record and men moving from locality to locality in seeking to gain a livelihood stand at bay, it becomes an easy matter for the few who have come into possession of the most profitable sources of production to appropriate to themselves the wealth which under more equitable social conditions would provide necessities of life for the many, and enable them to share in the conveniences and comforts which the age has produced.

But men are gradually coming to see that they have not equal opportunities in the gaining of a competence, and that social regulations under which it is possible for an individual to acquire wealth which represents the food, shelter and raiment taken from millions of his fellow beings ought not to be continued.

The fortune of John D. Rockefeller accumulated in less than three decades is estimated at one hundred and thirty million dollars. The better to realize the immensity of such a sum let us compare it with the earning power of individuals engaged in manual labor.

More than four thousand years have elapsed since Joseph revealed his identity to his brothers who had

been sent into Egypt after corn to relieve the distress of the kindred they had left behind them in a famine stricken land.

Let us now imagine the twelve sons of Jacob as wage earners, and from the time of their reunion receiving such a munificent stipend as to be enabled to lay by each the sum of five dollars per day over and above living expenses.

This would sum up sixty dollars per day for the twelve young men.

Let us further imagine them as for ages retaining the vigor and energy of their early manhood—as never growing old, and with the one object of accumulating money in view, laboring on and on and on, through dynasty after dynasty, and century after century, all of them finding continuous employment at good wages, and each of the twelve saving up five dollars a day for three hundred days in the year as in the beginning.

One might suppose at a venture that if the twelve men so laboring were still at work in our day, their aggregate savings would at least equal the accumulations of the great oil magnate, but such is far from being the case. Were that their aim, well might they feel discouraged at the task before them, because, each laying by five dollars per day as before, to accumulate a total of one hundred and thirty million dollars would require that they still labor on and on, century in and century out, for more than three thousand years beyond the present time!

But in view of the fact that under our social regulations Mr. Rockefeller may legitimately obtain control of every gallon of oil in the country and dispose of the same to the public at any price he may without limita-

tion or hindrance demand, the wonder is that instead of only having passed the hundred million mark he has not already become a billionaire.

Fifty years ago an individual possessed of twenty thousand dollars was accounted wealthy, and many a man who had accumulated such a sum retired from business life.

The business man of to-day who would retire on such a sum would be considered a commercial freak by his compeers. The custom now is to invest in corporation stock which earns a dividend throughout the life of him by whom it is possessed, then for his legatees after earthen clods have rattled o'er his bones.

Some men like some beasts are more ravenous than others.

Though they mete out ruin and disaster to thousands, their avariciousness can ne'er be satiated.

And yet these human carnivori who feed on flesh and blood as well as gold, are not wholly responsible for their rapacious natures. Never beyond the fear of possible adversity under the competitive system, they are impelled by a vague ever present dread of a reverse of fortune, to accumulate on and on without limit.

The fault lies in the system. Make land and the oil, coal, and other resources which it contains collective property as it ought to be, and the accumulation of inordinate wealth in the hands of individuals would become an impossibility.

SOCIETY.—V.

TRUSTS AND COMBINES.

As in the earliest of times we still compete with one another for the means of subsistence. Manufacturer competes with manufacturer, farmer with farmer, merchant with merchant, and laborer with laborer.

In the struggle for existence and a competence in which the individual members of society are by force of circumstances compelled to engage, every man's hand is industrially and commercially raised against his fellow.

And the endless chain of cruelties and tragedies which accompany the warfare for subsistence bear witness to the fact that we have not as yet fully emerged from a social status bordering upon the barbaric. But men are beginning to realize that the well springs of competition in production and commercial distribution are being dammed up by the great trusts and combines in existence and forming. And they comprehend that the crushing out of competition enables the few to levy tribute upon the many. But the majority do not as yet know the direction in which to look for relief.

That element of the population which shuts its eyes to the fact that in the great monopoly the logical climax of competition has been reached, frantically urges legislation against trusts and combines.

Yet we readily perceive that combinations of capi-

tal industrially directed are perfectly in accord with the tenets of competition.

If two men may combine their capital as partners in business, and a score or more in a corporation, then a precedent has been recognized for combinations of capital without end.

The law that would say that two or more weak corporations may combine, but that strong ones must refrain from so doing, would certainly be an extraordinary example in legislation.

Moreover, may not the staunchest monopoly rightfully claim that it is subject to the competition of any similar combination of capital that may be made?

The agitation against the trusts however has a mission, and that is to direct the attention of the people to the fact that the end of competition is drawing near, and that something must be done to prevent the spoliation of the masses by the few who are rapidly becoming masters of the industrial and commercial field.

For a few years yet, trust will compete with trust; but combination and consolidation goes steadily on, and were it not for the probability that, before worst comes to worst, the people collectively will in their sovereign right assume control of industry, the processes by which undreamed of wealth accumulates in the hands of a few individuals would go on until there would remain but one great trust when all the smaller fish have been devoured.

There is no good reason why strife, contention, and mutual destruction need longer attend the carrying on of industry, and in so far as the trusts are crushing out competition they are unwittingly doing a real service to humanity.

The more the circle of competition is contracted the nearer we approach the co-operative commonwealth in which the last vestige of competition in the production and distribution of commodities would disappear.

To attempt to legislate the trusts and combines out of existence otherwise than by organizing the entire population into a greater combine which would assume control of the entire range of production would be an attempt to stem the tide of evolution, and would only by so much longer continue the hardships the people would be compelled to endure.

SOCIETY.—VI.

INTEREST—WEALTH.

As universally understood, interest may be defined as money charged or paid for the use of money.

But in an economic sense it embraces rent and profit, the latter term including all dividends on the stock of corporations, and all incomes upon investments in general. Thus every piece of city real estate, every farm, and every business enterprise is supposed to yield a certain return upon its cost, and, in the economic sense remarked, this return is interest.

In so far as the loaning of money at an interest charge, and the accumulation of wealth in the hands of individuals have, in the past, facilitated production, and aided to develop the resources of newly settled districts they have proven beneficial to society. But we have arrived at a stage of progress where society need no longer depend upon individual enterprise for the carrying on of either economic production or distribution; and among the many circumstances which indicate that the time has come when society should assume its duties and responsibilities in this regard none are more in evidence than is the fact that from a blessing the interest charge for the use of money has been turned into a curse, and the further fact that the ownership by individuals of vast moneyed, landed, and other estates has become a positive menace to society.

Some time ago the New York Tribune published a directory of American millionaires which contained a total of 4,047 names. The following is a list of the fortunes with which forty-seven of these home capitalists were accredited according to the estimates at that time, leaving four thousand estates whose estimated fortunes do not appear but which range from one to several million dollars respectively:

J. D. Rockefeller	\$125,000,000
W. W. Astor	120,000,000
Jay Gould Estate	100,000,000
Russell Sage	90,000,000
C. Vanderbilt	80,000,000
W. K. Vanderbilt	75,000,000
H. M. Flagler	60,000,000
Wm. Rockefeller	60,000,000
Hetty Green	60,000,000
John J. Astor	50,000,000
C. P. Huntington	50,000,000
F. W. Vanderbilt	35,000,000
S. C. Tiffany	35,000,000
T. A. Havemeyer and H. Estate.....	30,000,000
P. R. Payne	30,000,000
G. W. Vanderbilt	30,000,000
Robert Goelet	25,000,000
J. P. Morgan	25,000,000
Schermerhorn Estate	25,000,000
H. H. Rogers	25,000,000
John W. Mackay	25,000,000
Ogden Goelet	20,000,000
E. T. Gerry	20,000,000
H. O. Havemeyer	20,000,000
Henry Hilton	20,000,000

Andrew Carnegie	20,000,000
Wm. C. Whitney	20,000,000
Darius O. Mills	20,000,000
Amos R. Eno	20,000,000
John D. Archbold	15,000,000
H. V. Newcomb	15,000,000
Adrian Iselin	12,000,000
Bradley Martin	10,000,000
Eugene Kelly	10,000,000
Dr. W. S. Webb	10,000,000
J. M. Constable	10,000,000
Hicks Arnold	10,000,000
Anson P. Stokes	10,000,000
S. D. Babcock	10,000,000
Geo. F. Baker	10,000,000
Austin Corbin	10,000,000
John Claflin	10,000,000
W. R. Grace	10,000,000
F. A. Constable	6,000,000
Adrian Iseling, Jr.	6,000,000
Abram S. Hewitt	5,000,000
James Stokes	5,000,000

Aggregate	\$1,489,000,000
4,000 others	4,000,000,000

Total\$5,489,000,000

Estimating the fortunes of the remaining estates at the minimum figure of one million each, we obtain a grand total as above, approximating five and a half billion dollars, a sum equalling one-twelfth of the entire wealth of the country in 1890.*

*The total valuation of the real and personal property in the country according to the census of 1890, was \$65,037,-

Wealth increases slowly at first but as it accumulates it gains a wonderful impetus. Computed retrogressively on a basis of increase equalling five per cent compounded annually, the millionaire of the present day would have been worth half a million fourteen years ago, a quarter of a million twenty-eight years ago and one hundred and twenty-five thousand dollars forty-two years ago*

We therefore perceive that while at a five per cent rate of increase compounded annually it would have taken an individual forty-two years to increase his fortune from \$125,000 to one million dollars, at a similar rate of increase it would take him but fourteen years to double his fortune, twenty-eight years to be worth four millions, and forty-two years to possess a fortune of eight million dollars.

At a similar rate of growth, with prevailing business methods continued, the 5½ billions which 4,047 individuals possess would increase in

14 years to.....	11 billions.
28 years to.....	22 "
42 years to.....	44 "
56 years to.....	88 "
70 years to.....	176 "
84 years to.....	352 "
98 years to.....	704 "

In 56 years their combined wealth would equal

091,197, of which amount \$39,544,544,333 represented the value of real estate and improvements thereon, and \$25,-492,546,864 that of personal property including railroads, mines and quarries.

*The above is an approximate computation. It takes 14 years and between 2 and 3 months in addition for the principal of a given sum to double itself at 5 per cent. increase compounded annually.

more than one and a third times the total wealth of the country in 1890, and in less than a century, these estates if kept intact would aggregate more than ten times the combined wealth of the people at the last census.

In the light of these figures must we not conclude that social regulations under which wealth may be accumulated to the detriment of the masses who produce that wealth ought not to be continued!

The time of the possessors of the larger fortunes is nearly altogether occupied in re-investing their accumulated earnings, and never satisfied with a sufficiency they continually strive to become the richest of the rich.

It is very rarely that any of these large fortunes become dissipated.

Let us imagine a ten million dollar scion of plutocracy indulging in the most senseless extravagance.

Were he to give an elaborate breakfast, dinner, and supper to his friends every day in the year at an expense of one hundred dollars for each meal so partaken, and in addition squander two hundred dollars daily upon clothes and incidentals, notwithstanding such outlay which would sum up five hundred dollars for every day in the year, at a five per cent return, his fortune instead of diminishing would be still increasing over and above his expenditures at the rate of nearly eight hundred and seventy dollars a day!

Interest as commonly understood is one of the most aggressive of the various means by which wealth is accumulated in modern times. The aggregate of interest being paid on national, state, county, municipal, school district, railroad, mortgage and individual indebtedness

is enormous, and the bulk of it goes to still further augment the great fortunes of the world.*

The many pay these vast interest charges, and the few receive them. How will the principal of this indebtedness ever be paid?

Were competitive methods continued indefinitely universal repudiation would of necessity result.

Happily a way has been found by which the industries may be carried on without the necessity of looking to moneyed men for either capital or superintendence. When land, and the machinery of production shall have been socialized, the opportunities for accumulating vast individual wealth will no longer exist, interest as a disturbing element in the social economy will disappear, and the charging of rent and profit become a sole prerogative of the collectivity for the carrying on of public work and the maintenance of government.

*The census of 1890 places the aggregate national, state and territory, county, municipal and school district indebtedness at \$2,027,170,546, and the real estate mortgage indebtedness for the year 1889 (that of the years which preceded it and in force in 1890 not being included) at \$1,752,568,274. The railway bonded indebtedness is above five billion, so that the aggregate of indebtedness from these sources alone approximates nine billion dollars. Individual and corporate indebtedness otherwise at a conservative estimate would exceed ten billion dollars.

SOCIETY.—VII.

TAXATION.

Old John Jacob Astor in his life time owned considerable of the real estate in the City of New York now controlled by his descendants.

Being importuned by a friend to join a movement looking to a reduction of the rate of taxation he declined his aid, remarking that he was not interested.

“Not interested!” exclaimed his friend, “and you the largest holder of realty in the city?”

“I will tell you confidentially,” he explained, “that whether the rate of taxation is high or low I do not pay a dollar of it. I add a percentage to rentals to cover taxation, and my tenants pay it all.” And the old gentleman laughed at his joke. He knew there was nothing to be kept in confidence because in fixing the rentals of buildings a percentage to cover insurance, taxes and repairs is invariably included.

Yet in that incident there is ample food for thought.

In effect, the successful man under individual competitive enterprise pays no taxes whatever. It is the unsuccessful men who are largely in the majority among the common people—and among these must be numbered the men who do not own much more than a modest home—who pay the bulk of the revenue raised by taxation.

And this shifting of burdens is noticeable throughout the entire *modus operandi* of the competitive system. The merchant adds the interest he pays at the bank, his rent, his taxes, and other expenses of his business to the price of his goods, and the common people pay the bill. Railway companies, express companies, and other corporations shift their burdens onto the masses, and every dollar of their taxes and interest charges, like those of all successful business enterprises, is paid by the public which gives them its patronage.

In this way the burdens imposed by society rest lightest on the successful man, while those of the unsuccessful are increased by having added to them a share of what should be contributed by those who succeed.

And this shifting of burdens must continue as long as the competitive system lasts. Only through collective control of industry will it ever come to an end.

As regards our methods of taxation it may be truthfully asserted that no just and equitable system of taxation has ever been devised or put into effect.

The existing system gave fair satisfaction up to, say sixty years ago when land and the improvements thereon formed the great bulk of taxable property before great estates in railroad, telegraph, telephone, express, gas and electric stocks had an existence.

But even in those days the cry of unfair and excessive taxation went up continuously, and in our times, even to ascertain the just proportion which individuals should contribute toward the support of government, not to speak of compelling its payment, seems an utter impossibility.*

*There seems to be a general criminal eagerness to evade taxation. A current newspaper item runs as follows: "It

The one great factor which renders our system of taxation an absurdity as an economic measure is the unknowableness of property values. No fixed value naturally attaches itself to any material thing, and neither price demanded, purchase price, nor the sale of property at public vendue unerringly indicate property values which are altogether artificial, ever fluctuating, and therefore, as regards exactness, unascertainable.

Especially is this true of landed property, the value of which for purposes of taxation can be approximately determined when property values in general are advancing, but in an era of falling prices the fact that land values are a mere mental conception can be clearly discerned.

The most conscientious assessor finds himself at sea as to real estate values in a period of stagnation when sales of landed property can be made only at enormous sacrifice.

And how is such an official to ascertain the value of a mining claim, an oil well, a coal field, a railway or telegraph system, or of the franchises granted to corporations by municipalities!

Must he not have occult powers to determine the

was published not long ago over the sworn affidavit of the auditor of Chicago and Cook County, Illinois, that the farmer's tools and machinery of Cook County were assessed for \$30,000 more than all the money and securities of the banks of Chicago. All the money and securities of the banks aggregating hundreds of millions of dollars were assessed at \$53,925. The agricultural tools and machinery at \$84,392. The securities of the banks without the money were assessed at \$10,000. All the diamonds and jewelry in the city were assessed at \$17,760, while it was known that single families owned more than ten times that amount."

amount of money of which individuals are possessed?*

And, taking notice of the manner in which custom duties are collected at our seaports and upon our borders, is not the searching of the person and belongings of individuals a disgrace to our civilization and the age in which we live?

Yet such barbarities are a fitting accompaniment of the industrial warfare in which we are one and all participating.

With the downfall of competition in economic production we will be enabled to dispense with all customs on imports, and to brush away the entire network of state and national taxation which is possessed of the strange quality of catching the little fish while permitting the big ones to escape through its meshes.

Taxation was originally instituted as a means of defraying the necessary expense of government, but it is now urged as a panacea for the various ailments of the body politic produced solely and alone by the competitive methods of industry now in vogue.

Of such a nature is the proposition to protect American industries by the imposition of a high tariff which carries with it an increased tax on commodities which our people consume. This policy is now being enforced. At the same time the high duty levied on

*Speaking of personal property of the class denominated securities including stocks, bonds, notes, mortgages and the like which escapes taxation ex-President Harrison says: "The delinquency appears to be located largely in our great cities. Recent investigations have disclosed an appalling condition of things. The evil seems to have been progressing until in some of our great centers of population and wealth these forms of personal property seem to have been almost eliminated from the tax list."

imports does not and can not raise the price of commodities which we export and offer for sale in foreign markets one iota.

The entire idea is as absurd as would be a provision attached to the tariff bill making it unlawful for any foreign nation to retaliate in kind.*

Simmered down, high tariff legislation, beyond a schedule providing a sufficiency of revenue for the carrying on of government is nothing more nor less than class legislation by which some receive an advantage at the expense of the remainder of the population.

The taxation route is also urged as a cure for the millionaire evil, but neither a graduated income tax, nor a tax on inheritance would prevent the accumulation of vast fortunes in the hands of individuals. Nothing short of the overthrow of competition in production will accomplish that result.

Another proposition which attempts to reconcile the inconsistencies of the competitive system is the single tax on land. "Place the entire burden of taxation upon land," say the advocates of this plan, "then large holdings will be broken up, a series of small farms will result and all will be well."

We remarked in a previous chapter that the tendency is away from small farms and small production toward collective production on a national scale.

The more farmers the more competition would ensue, and, as robber barons of old relieved the peasantry of the fruits of their labor in the days of feudalism, so

*Since the above was written, Germany is retaliating in kind by closing her markets on various pretexts to a number of the commodities we produce.

would modern exploiting barons swoop down upon them from elegantly furnished apartments in the railway and banking centers and the corridors of the stock exchange, and despoil them of their wealth as fast as created.

Moreover, to exempt the valuable improvements upon land in city and country from taxation would be as unjust and inequitable as would be the theory of an opposing school urging a single tax upon improvements and exempting the land itself. The proposition to tax landowners "out of existence" upon their holdings would be in reality only another form of confiscation. When government now takes private property for collective use it purchases it at an appraised value. A precedent has therefore been set as regards the method by which land in general will eventually be acquired by the collectivity. With the advent of a collective democracy the system of taxation as now maintained with its legion of assessors, collectors, clerks and other officials would be abolished in city, county, state, and nation.

The main sources from which taxes are now derived, namely, land and the improvements thereon, machinery, merchandise, and the means of transportation would then be public property, whilst private property such as household furniture, books, pictures, motorcycles, musical instruments, wearing apparel, and so on, would be entirely exempt from taxation.

Cost of administration would include the carrying on of industry in general, and be defrayed out of receipts from rental of buildings, from profits upon commodities which the collectivity would both produce and

distribute, from charges for transportation, and from the revenues for other service supplied to the people.

The co-operative commonwealth then becomes the remedy for the inequalities of the existing system of taxation. There is no other solution of the problem.

SOCIETY.—VIII.

LABOR.

The labor problem has met with but little consideration in the past, the result probably of a realization that nothing of moment could be done towards securing to the laborer continuous employment and a fair remuneration for his toil in a competitive state of society.

The labor problem, however, occupies an inter-related position to other public questions, and because of this it has acquired a new significance, and has been forced into the political arena for final adjudication.

Under existing conditions it becomes impossible for the wage earners collectively to obtain either shorter hours or fitting remuneration for their labor, not to speak of the uncertainty of either obtaining or retaining employment, because, under competitive methods of industry, the price of labor, like the price of commodities, is regulated by the law of supply and demand, and, while the over-stocked labor market continues to be augmented by the men thrown out of employment by labor-saving machinery, by foreign immigration, and by the natural increase in population—and no doubt there will continue to be an over-supply from these sources in the immediate future as in the

past—there is no reasonable ground for hope of a permanent rise in the price of labor, or that laborers as a class will ever become independent enough to successfully agitate for a shorter working day.

As matters now stand, employers have at least a legal, if not an ethical or moral right, to employ the cheapest labor capable of performing the required work, to be obtained. And men who lose their employment by reason of such a condition, as well as those who are compelled by their necessities to accept employment at any wage offered, have no legal redress. Take for example the case of coal miners who eke out the barest existence upon next to starvation wages. They follow a hazardous vocation, and, in all reason, are entitled to fair compensation for their labor. But their employers own the mines, and under our social regulations have the sole right to determine what wages they will pay, and how they may choose to operate their properties.

As long as the competitive system endures no one on the outside has a right to interfere.

We hear a great deal about arbitration as a remedy for the wrongs of labor, but applied it would prove an absurdity and chimera. It would work something like this: Say there is a strike in a coal region. The operators select an employer to look after their interests, and the miners a workingman to represent theirs. So far good. But when it comes to the selection of the third arbitrator we may rest assured that he would be either an employer outright or a mere tool to carry out the ends of capitalism. He certainly would not be taken from the ranks of labor. Under no consideration

would the lion consent to arbitrate with the lamb if there was the least chance of losing his dinner.

Working people do not seem to comprehend that the competitive system is predicated neither on sentiment, nor sympathy, nor honesty, nor equity, nor on any other elevating trait or quality which noble men possess, but solely and alone upon self-interest. It is only rarely or occasionally to the interest of an employer to raise wages. To do so from any motive of sentiment, sympathy, or even of moral right is not in accord with the theory of competition for selfish gain, according to which an employer could not be expected to increase the compensation of his employes unless compelled to do so by a scarcity of laborers. This would literally accord with the law of supply and demand as remarked, and the reason why strikes in these latter years do not and cannot succeed is because there is always a supply of labor conveniently at hand to take the strikers' places. Just as manufacturer competes with manufacturer and tradesman with tradesman, so laborer is compelled under existing industrial methods to compete with laborer for the opportunities for work that present themselves.

Competition is simply industrial warfare, and if men are satisfied with its operation they must not cry out when they get worsted in the fray.

But that does not mean that it is not laudable and right and proper for those who see a better way of carrying on industry than by competitive methods to raise their voice in an attempt to better the condition of the wealth producers. There are neither strikes, lock-outs, nor boycotts in the postal department; neither would

there be in any of the many existing industrial departments were they carried on exclusively by the nation.

The solution of the labor problem lies in the socialization of industry which includes the nationalization of land from and out of which labor creates all material wealth.

SOCIETY.—IX.

LABOR (Continued).

The natural drift is continually away from individual labor producing singly and alone to collective or associated labor.

We see the shoemaker succeeded by the shoe plant, the carpenter by the planing mill, the blacksmith by the machine shop, and so on; and the further we travel along the road leading to collective production, the more marked become the indications and signs that we are approaching the goal.

When men can no longer produce commodities by their individual unaided efforts, and, like in modern manufactures, costly machinery and the co-operation of a number of workers is required to carry on production, a new economic factor becomes injected into the industrial problem, and that factor is the question of who ought of right to be entitled to the margin of wealth created over and above the wage compensation of the workers.

Were it absolutely impossible to arrange things in this regard otherwise than as at present, the owner of the machinery would for all time be entitled to the entire margin of wealth created by the co-operation of his workmen. But if, in order to prevent a few from appropriating to themselves the surplus of wealth created by the many, society were to provide the machin-



ery necessary to production, the margin of wealth created over and above the wage compensation of the workers could and would be set aside as social capital, or the capital of society, to be reinvested in new machinery thereby opening up avenues and opportunity of employment to all.

In this way, the 20 per cent, say, of surplus wealth which the laborers of the country collectively produce, instead of serving to create a few billionaires, would make it possible for society through its industrial channels and its public works to enhance immensely the comfort and the happiness of the people.

When we so arrange that individuals, as now, become possessed of this surplus of wealth we unconsciously encourage the oppression of labor, because in supplying our wants, impelled by our necessities, we purchase the lowest priced article of a satisfactory quality we can obtain, and such, as a rule, are manufactured by firms or corporations paying a low wage compensation to their hands.*

In this manner the very patronage of the people serves to build up institutions opposed to their interests as laborers.**

But such are the beauties of competitive methods of production.

Under collective control of industry all workers

*The manufacturer paying the lowest wage is the one that usually succeeds in a competitive market. We have seen a demonstration of this recently in the removal of cotton mills from New England to Southern localities where cheaper labor can be obtained.

**The economic term laborer embraces all individuals who do useful labor for society. Not alone wage earners, but business and professional men and women as well are economic laborers.

could be well compensated, hours of labor could be shortened, and what is of the utmost importance, the margin of profit on commodities would go back to the people to swell the accretion of social capital.

As it is now, the displacement of men by machinery goes steadily on, a large number of would-be wealth producers are unemployed, the average of wages earned is low, and the majority of the people are but eking out a hand-to-mouth existence.

And it remains for the masses to determine whether the control of industry shall remain in the hands of a limited number of individuals and corporations with the assurance that the unsatisfactory status of labor will continue, or whether by public ownership and operation of the various industries they will emancipate themselves from the thralldom of capital privately employed, the increment or gain accruing from the patronage of the public going back as a sequence to the public which would supply that patronage, and which because of that patronage is to such increment or gain of right entitled.

SOCIETY.—X.

PUBLIC SERVICE.

The true definition of the word patriot is, "one who serves his country." The people of a nation should all be patriots—should all serve their country. Only those holding public positions now serve their country. The remainder of the population merely decide upon it as the place in which they will strive to obtain a livelihood. They do this in competition, and competition is strife. Were they also public servants strife would give way to co-operation.

We have no rulers. The president and all executives, the judges of the national supreme court and our entire judiciary, our congressmen, our legislators, and our officials down to the janitors of our public structures are but public servants.

That is why ostentatious demonstrations by those in high positions do not appear seemly and proper in the eyes of the people whom they were selected to serve.

A public servant cannot but feel the dignity of his position, and at the expiration of his term of service, shudders at contemplation of a return into the competitive struggle to gain a livelihood.

The abuse of their trusts by those holding public office is in no way chargeable to their socialized positions, but is due entirely to the extraneous influences with which they come in contact.

All about them surges an ocean of competing humanity, and yielding to the temptation to seize upon the wreckage with which it is strewn, they are drawn into the vortex of the tide, and go down to a moral oblivion.

Society now unjustly discriminates in the distribution of its favors.

It takes over a limited number of the population into the public service, while the majority remain enslaved to the degrading competitive industrial methods which have come down to us from the earliest of times.

Gradually, as the powers of government become extended, more and more of the population will be transferred from the ranks of competitive industry into society employ, until, under complete collective control of industry, any worker with hand or brain will have the opportunity to engage and be advanced in the public service.

The doom of the merchant of limited means has already been pronounced.

When a few gigantic aggregations of capital shall have gained entire control of the commercial field as they certainly will in the near future, no other choice will be left the business intellects of the nation but to enter the employ of these corporations where they would retain their positions only by the sacrifice of their independence, and the surrender of their manhood.

Would they not vastly prefer a dignified position in the commercial or distributory service of the collectivity?

Are the callings of the employes in the public service at the present time not honorable and desirable?

How proud we are to serve our country in its military arm!

When war shall be no more, and the avenues for displaying our zeal, patriotism, and love of country by scientifically murdering our fellow beings shall be closed, will it be said that thereby we shall forever be debarred from gaining honor and distinction in the service of our country?

“Peace hath her victories as well as war.” The day is rolling on in time when with no sordid considerations to retard his better impulses all the noble aspirations of man will be directed for the common weal, and when that time shall come, he whose work is well done, however humble may be the field of his labor, will enjoy that full respect of the community which is a stranger to the manual toiler of the present day; while the victories of the intellect will be more generously rewarded than any that have been awarded the epaulette in the history of the past.

SOCIETY.—XI.

MONEY

In a consideration of the money problem it must be understood at the outset that money, like other factors of human progress, is undergoing an evolutionary change. The semi-barbarous tribes who had recourse to barter no doubt imagined that the acme of human wisdom had been reached in the matter of the exchange of commodities; and so it had—in their day.

And similarly the commercial and financial world in the era ante-dating the discovery of the art of printing—when the idea of the bank-note still lay unevolved in time—harbored the idea that coined gold and silver would forever be and remain the money of intermediate exchange.

But the commercial and financial world of to-day declares one of these metals to be unfit for monetary uses except in a limited way when based on gold. And we are still moving on. The tendency of the age is toward that form of circulating medium which is most convenient—paper—and the indications are that the doom of gold as a monetary token will shortly be pronounced.

If we desire to obtain an idea of what the money of the future will, in all probability be like in appearance, we have but to glance at the treasury notes of government in use at the present time. The wording upon the

perfected treasury bills of the future may differ slightly from that engraved upon treasury paper of the present day. The words, "promise to pay to bearer," will probably be expunged, and some such phrase as, "This bill is redeemable in any resource of government," may be substituted. But on the whole it will be as readily distinguished as money as is the paper currency now in circulation.

With this unquestionable trend in the evolution of the medium of exchange for a guide, we will proceed to examine more closely into the money question.

As intimated in a former chapter, no value attaches itself by nature to any material thing, all values as we know them, including that of gold, being purely artificial.

So we find gold and silver like wheat, corn, cattle and so forth, by nature, commodities pure and simple.

Like other commodities these so-called precious metals have values for use, but having in addition been given monetary preference by law, they carry each two separate and distinct values in the world's transactions of exchange. Thus bars of silver and gold have simply values as commodities, while gold and silver coins have both a commodity and a monetary value. To fulfill the true purpose of a circulating medium the commodity value of minted coins should never rise above the monetary value attached to them.

If their commodity value rise above their monetary value it is but natural for those who possess them to either throw them upon the market as commodities, or withhold them for speculation. For these reasons they

disappear from the circulation of a country when at a premium.*

On the other hand, the artificial monetary values given these metals by law acts as a check upon any downward tendency in their selling price, so that their monetary value, as long as upheld by law, becomes the minimum price below which they will not fall.**

But how does it become possible for the commodity value of coined gold to rise above its monetary value?

Why does it not simply show an appreciation as compared with the price of labor and commodities instead of being as it is at times quoted at a premium?

In other words, why not realize that a certain sum in gold coin will buy two bushels of wheat where before it would purchase but one, instead of saying that gold is at a hundred per cent premium, and let it go at that?

The phenomenon of a premium on gold, which is of comparatively recent origin, is easily accounted for.

*From the beginning of the Civil War up to January 1, 1879, when specie payments were resumed by government, no gold circulated as money in the country. During that extended period it fluctuated as a commodity reaching its highest figure, \$2.67 for one dollar of gold, on the 9th day of July, 1864. This was the price on the public board in New York City. Outside the public board \$2.80 was recorded. Another notable instance of the rise in the price of gold as a commodity was the corner manipulated in the fall of 1869 when the price of gold rose on Wall street to \$1.63½, or 63½ cents above its monetary value. This corner in the coined gold commodity, by the interference of government on the 24th day of September of that year, terminated in the wreck of fortunes on what is known in history as "Black Friday."

**Silver bullion did not fall below the monetary value of coined silver until after the passage of legislation discontinuing the coinage of the silver dollar. Similarly a fall in the value of gold bullion would occur upon the passage of a law discontinuing the coinage of gold.

Before the days of the bank-note such a thing would have been impossible, because to go to a premium in the past when metallic money was the sole medium of exchange it would have had to acquire a separate increased value over itself which is an entirely irrational proposition.

Its appreciation at such a time could have found expression only in a general depreciation of property values, of the price of commodities, and of the compensation for labor or service.

It is only when an evolutionary advance brings an additional medium of exchange into the monetary field, and the artificial values of two such mediums of exchange diverge or are at variance, that a premium on gold becomes a possibility.

Such a new medium of exchange was the outgrowth of the discovery of the art of printing, and, like notwithstanding the advent of railroads the rattle of the stage coach is still heard in some parts of the country, so are metallic and non-metallic currencies, one the money of a crude civilization, the other a circulating medium in keeping with the age and improving as its imperfections are eliminated, being employed side by side.

Each still fills a definite sphere of usefulness, but as certainly as the railroad constantly encroaches upon the domain of the stage coach, or a new tooth loosens and forces out its predecessor in our anatomy, so is the new economic growth, which has sprouted in financial soil, loosening the grip of gold upon industry, and will eventually force it out of the monetary field.

And does not gold betake itself out of the monetary field whenever it goes to a premium and becomes a commodity?

Some day it will go out, and, as was the case with the domestic who insisted upon having a day off whenever so inclined, will not be permitted to return.

As long, however, as government is enabled to exchange gold coin freely for its treasury obligations payable on demand, the parity of our paper and metallic currencies will be maintained.*

But when circumstances make it impossible for government to redeem its treasury paper in gold on demand, or in other words, when for any cause specie payments are suspended by government, a premium on gold may with reasonable certainty, be looked for as a result.

A superannuated monetary system, like an imperfect piece of machinery when continued in use, becomes more and more unsatisfactory.

How in recent years we were compelled to purchase gold at an interest charge in an era of profound peace in order to maintain the parity between our currencies may be a circumstance still fresh in the mind of the reader.

The methods then employed have caused us to realize that there is nothing to prevent future raids upon the gold reserve by men of wealth acting in combination to the end that they may reap an advantage through additional bond issues. An increase of revenue would help matters very little as a preventative in that regard. It could at most only provide means to meet the interest

*The gold corner manipulated by Fisk and Gould in the fall of 1869 was broken by the obvious ability of government to redeem its paper in gold on demand, for when government, disregarding the enhanced value of gold, exchanged a liberal amount of gold coin for its treasury notes on a parity the commodity price of gold at once fell to the level of its monetary value.

on the bonds issued in the purchase of metallic money required for the redemption of treasury paper.

Purchase of money! Think of it. We as a nation repurchase the commodity we employ as a medium of exchange at an advance, which in effect nullifies the value we declare it to have according to the stamp it bears! We may make sacrifice upon sacrifice in order to prevent a divergence in value between our gold and paper circulations, but like Banquo's ghost the spectre of a premium on gold will not down.

As long as we continue a metallic currency in use with paper issues based upon it, we maintain a monetary status under which we are ever threatened with a premium on gold and its disastrous effects.

Nor can the paper issues of the country be safely retired. They are needed to supplement the volume of metallic money which is too limited in amount to perform the work of an adequate circulating medium. That such as these are a necessity is the experience of every progressive government of earth. Conditions have changed so that the world can no longer transact its business with an exclusive metallic currency in use.

If government redeems its notes in gold on demand, all is well. If not, we have both an appreciated and a depreciated currency. In fact we are in a dilemma. We must either desist from the use of any and all forms of paper currency and make a premium on gold an impossibility, or we must strip gold of its money quality so as to reduce it to the status of other commodities.

To decide upon the latter course is to advance. To confine ourselves to an exclusive metallic currency is to retrograde.

Which shall we do?

In former chapters we have endeavored to prove that the economic trend is in the direction of the collective ownership of land and the machinery of production.

The demonetization of gold, and the substitution of a paper circulating medium, as outlined in this and subsequent chapters, would fully harmonize with such a change, and be in line with the evolution of money in general.

SOCIETY.—XII.

MONEY (Continued).

The monetary designation one dollar, the equivalent of one hundred cents, has been established as the monetary measure in the United States.

In connection with the subsidiary coinage, and its multiplied forms in bills and coins of greater denomination it measures the artificial values placed upon commodities and the labor of individuals a great deal like the foot rule and its inch subdivisions, in connection with its multiplied forms in the yard stick, the ten-foot pole, and the tape line, measures length. This monetary measure, beside the law by which it is created, consists entirely and alone of the money stamp impressed by government, and of itself is fixed, stable and invariable.

But unlike other measures, mankind has for ages joined the monetary measure to one or more of the things to be measured thereby impairing its usefulness as a monetary rule.

If we stamp the words "ten dollars" upon a quantity of gold that will sell in the market at times for fifteen or twenty dollars, we construct our monetary measure out of a material unstable in value, and certainly not best adapted to a monetary use.

All measures are simply tools and conveniences.

We do not make yard sticks, pound weights, or bushel

measures of either gold or silver. Being merely tools and conveniences we construct them of the least valuable material answering the purpose for which they are intended.

The monetary measure being also merely a tool and convenience, it, like other measures, ought to be constructed of the least valuable material adapted to a monetary use.

These propositions find substantial support in the following authorities:

“Congress shall have power to coin money and regulate the value thereof.”—Constitution of the United States.

“To coin money and regulate the value thereof as an act of sovereignty involves the right to determine what shall be taken and received as money; at what measure or price it shall be taken; and what shall be its effect when passed or tendered in payment or satisfaction of legal obligations. Government can give to its stamp upon leather the same money value as if put upon gold or silver or any other material. The authority which coins or stamps itself upon the article can select what substance it may deem suitable to receive the stamp and pass as money; and it can affix what value it deems proper, independent of the intrinsic value of the substance upon which it is affixed. The currency value is in the stamp, when used as money, and not in the material independent of the stamp. In other words the money quality is the authority which makes it current and gives it power to accomplish the purpose for which it was created.”—Tiffany, Constitutional Law.

“Whatever power is over the currency is vested in Congress. If the power to declare what is money is not

in Congress, it is annihilated. We repeat, money is not a substance, but an impression of legal authority, a printed legal decree.”—United States Supreme Court. (12 Wallace, page 519).

“Money is the medium of exchange. Whatever performs the function, does the work, is money, no matter what it is made of.”—Walker, Political Economy.

“It is right that money should acquire a value as money distinct from that which it possesses as a commodity in order that it should be a fixed rule whereby to measure the value of all other things.”—Robert Morris.

“An article is determined to be money by reason of the performance by it of certain functions, without regard to its form or substance.”—Appleton’s Encyclopedia.

“Money is a value created by law. Its basis is legal, and not material. It is, perhaps, not easy to convince one that the value of metallic money is created by law. It is, however, a fact.”—Cernuschi.

Society then may select any substance it may deem suitable on which to impress the symbols, emblems, figures and phraseology of a circulating medium. And it logically follows that if it may select a substance it deems suitable at one time it may dispense with such a substance substituting for it one it deems more suitable at a subsequent period.

Money being simply a tool, there is no reason why, like other tools, it should not be improved upon. We discard a tool as soon as we discover one better suited for the work required. Had the plowshare not been invented we might still be turning up a furrow with a

crooked stick. But notwithstanding the general use into which plowshares have come, crooked sticks are still employed in some localities as a means of turning up the sod.

So, notwithstanding we still continue in use a monetary measure which is incapable of measuring the commodity of which it is composed because of being joined to it, we have, by impressing the money stamp upon paper, created an improved monetary implement capable of measuring even the occasional appreciation of gold.

We are rapidly approaching a time when the improved implement will serve for every monetary purpose.

To continue to impress the money stamp upon a valuable commodity when a paper circulating medium will perform every function of money, is, in a financial sense, to still plow with a crooked stick with a better and more perfect implement at hand.

SOCIETY.—XIII.

MONEY (Continued).

It is probable that long before the coinage of either gold or silver into monetary tokens, one or more chief staples of exchange such as cattle, corn and sheep became recognized as standards of value by the various tribes or communities that existed in the infancy of civilization, and that the staples so recognized came to measure the value of all other commodities and of labor under the system of barter then in vogue. This would be the process of establishing values that would naturally suggest itself to a society making use of but the most primitive methods of exchange, and thus, in a manner, controlling commodities became invested with a money quality by means of which it became possible to measure, at least approximately, the value of objects of exchange in general.

Society as a whole, however, had no concern or hand in the setting up of such measures of value. They were purely commercial measures, yet, to a certain extent they performed a monetary function. The commodities which measured value were the property of individuals and therefore were purely of the nature of individual money. Monetary tokens to be stamped by society were at that period still an undreamed of discovery of the future, and the more cattle, corn or sheep that indivi-

duals possessed, the more individual money, as it were, there was in circulation.

For centuries after gold and silver came into use they were exchanged by barter like other commodities.

The impress of certain symbols or hieroglyphics upon bars or ingots of these metals came to be generally understood as designating their weight, and the utility of the pieces of metal so stamped, as intermediate factors of exchange, was soon recognized.

From this stage it was but a short step to the impression of a fixed monetary value upon the gold and silver pieces in circulation, which conformed to the value in which they had been generally held.

Such impress of a monetary value, however, by the nations was merely a public convenience facilitating exchange under the system of barter then prevailing.

Individuals possessed of gold or silver in natural nuggets, or in rings, bracelets or other ornaments were privileged to present them at the king's furnace or mint and have them transformed into regular tokens with their monetary value impressed upon them. These pieces of metal returned to those who presented them for mintage remained their private property, so that the gold and silver commodities having a value designation impressed upon them acquired the characteristics of improved individual money.

And to these crude methods of money supply coming down to us from ancient times, we, in these days of steam, electricity and liquid air, with hardly a change worth mentioning, still adhere!

Government does not now concern itself with the supply of primary money except to affix its monetary

stamp to the miner's gold free of charge, and return it to him glistening and bright in minted form, and no matter how much gold may be produced, it does not directly benefit government, nor, being under the immediate control of the producer, does it give equal opportunities to all citizens industrially inclined to share in its enjoyment as would be the case under a monetary system of a collective character. It is individual property with the stamp of government affixed, and the relations of government to the individual and to this particular commodity are not much dissimilar to the relations of municipal government to the farmer and the load of hay which, conforming to law, he has weighed upon the city scales. In the former case, the money stamp certifies to the weight and fineness of the metal in the coin. In the latter instance, government certifies in writing to the weight of the hay, and these formalities over, government sends both individuals forth to realize what they may on their possessions. The only difference is that the commodity of one producer is changed into money by law, while that of the other still remains a commodity without special favor.

The individual character of coined gold becomes apparent when it goes to a premium. At such a time it virtually ceases to be money, and is bought and sold at a price agreed upon like other commodities.

Justice and equity require that a circulating medium shall be as invariable and stable a tool of exchange as the yard stick is a measure of length, or the bushel measure is of capacity.

Coined gold no longer meets these requirements, for, as we observe, on occasions when above all others it should well serve us as a circulating medium we find

the money quality upon which we depend, destroyed. Shutting its eyes to the crying need of a better monetary system, the world is attempting to adjust its affairs on a fluctuating commodity basis, with gold, the material best adapted to the monetary uses of cruder civilizations, the favorite commodity.

The thing to do is to strip the coined gold commodity of its money quality.

Then gold will stand on an equal footing with other commodities, and while all that is good in it will be retained, its power for evil will have been destroyed.

SOCIETY.—XIV.

MONEY—SILVER.

It is an astonishing fact that for several years after gaining our independence the founders of our government made practically no effort whatever to provide an American circulating medium for the country.

Out of the silver and gold coins of foreign mintage which constituted the bulk of the money of commerce at the end of the Revolutionary War we adopted the Spanish silver dollar as the unit of our money, making it the lawful dollar and standard. This was in 1785, and several years later we gave a legal value to the silver dollars of Mexico, Peru, Chili and Central America, and the five franc piece of France so that they also passed current as lawful money.

In 1792 we established the mint,* and enacted a free coinage law under which the owners of gold and silver bullion were permitted to bring the same to the mint, have the same assayed and converted into coin,

*Its first product the great copper cent of early days constituted in its unpretentious way a circulating medium of an advanced collective character. No individual was granted the privilege of having the copper metal of which he might have become possessed coined into pennies on his own account. Government bought the material of which that circulating medium was composed outright just as it purchases other metallic substances for purposes of subsidiary coinage at the present time.

the owner receiving coin of the same weight as the bullion brought to the mint.

All silver dollars coined under this regulation became in effect individual money with the stamp of government affixed, but the declaration of the administration, made in recent years, that it will maintain the parity of the silver coinage with gold, changes their status so that they acquire a collective character, similar to that which silver dollars, minted out of bullion purchased by government since the discontinuance of free coinage in 1873, possess.

Money being simply a monetary tool or convenience there may occur a redundancy of a bulky circulating medium notwithstanding a dearth in the volume of money in general circulation, such, for instance, as would be brought about with the free coinage of copper pennies, and it has at least been claimed that in commercial channels the tendency in recent years has been toward an over supply of a silver circulating medium.*

Society should have full control over whatever circulating medium it employs so that it may either increase or decrease its volume at will.

With free coinage of silver discontinued, society obtains control over the volume of silver tokens and can prevent a possible redundancy.

When the supply of silver which government now holds becomes exhausted it will purchase silver bullion for currency purposes just as it purchases nickel and copper for its fractional coins.

On the whole, the discontinuance of its free coinage

*The working people, however, receive so scant a wage that they are never overburdened with any kind of money.

has advanced silver well along toward the position it will eventually assume in the social economy. The supply of silver is quite sufficient for purposes of subsidiary coinage. It is only when we depend upon it for half of the world's supply of money that it does not and can not meet such requirements.

As a matter of fact all the silver produced in the world, excepting that portion used in the arts and the industries, is now, either as primary or secondary money, put to a monetary use.

It is unquestionably true, however, that wiping out one-half of the primary money of the world has given those who are receiving interest upon the indebtedness of the nations a great advantage to the injury of the masses everywhere. But we can rend the chain of gold that binds us as easily as if it were a spider's thread if we but make the effort.

We cannot do it, however, by resuming the free coinage of silver, because we have no control over the money of foreign countries. Nor for that matter have they, as nations, any say as to what form of money we shall adopt. If we concluded to resume the free and unlimited coinage of silver, (how suggestive of individual money that phrase), turn the entire issue of money over to bankers, or adopt any other unprogressive monetary plan to our injury, we could unquestionably do so without the interference or consent of any nation on earth.

But the commercial world does control the price of commodities, and we know by experience that we can not obtain a stable circulating medium by attaching the money stamp to a valuable commodity—that the selling price of the commodity of which the coin is

composed and not the monetary designation upon it will control its value in exchange. Besides, it ought to be clear that the more commodities are invested with a money quality the more friction is generated and the more complicated does the monetary situation become.

The passing of silver began with its demonetization by England in 1816, and since the discontinuance of its free coinage in the United States in 1873 a new generation has been born and has grown to manhood's estate.

Its world mission as a monetary metal nearly accomplished it is passing like the wintry snows before the balmy and rejuvenating days of spring.

It is destiny—it is evolution, and to remonetize the silver commodity would be indeed to turn back the hands of progress upon the dial of time.

It was right and proper to submit to the people directly the question of whether or not the free coinage of silver at the mints, at its former ratio with gold, should be resumed—whether the action of our representatives in congress in discontinuing the coinage of the silver dollar should or should not be upheld.

Attention was directed to the fact that the people themselves had never been consulted on the question, and the original purpose of the agitation of the silver issue was accomplished when the question was submitted, after ample discussion, to the decision of the American people.

The appeal to the country was made and lost. The people knew that things were not as they should be, but they instinctively felt that the remonetization of silver was not the remedy.

The silver issue was the false scaffolding built around

the new monetary structure we are erecting. It has served the purpose of a temporary expedient and we can now dispense with its use.

The real mission of the silver issue was to educate the people upon the money question in general and the unfitness of gold to be the basis of a monetary system in particular. .

The lesson has come home, and the doom of gold as a monetary metal is sealed. Already does its monetary designation cling to it as loosely as do their tattered garments to the tramps which it has made, and when, in the light of reason, we shall come to see the folly of retaining in use any form of individual money as a circulating medium, its reign as a sovereign in the world of finance will draw to a close.

SOCIETY.—XV.

BANKERS' MONEY.

Not alone did the founders of our country to provide an improved circulating medium for the country, but in adopting the individual and silver miners they placed the source of supply entirely out of national control, and it was impossible for government to increase the supply on occasion to keep pace with increases in demand.

The scarcity of money in the early days of the republic was however easily overcome.

Patriots willing to contribute toward the increase of volume of currency by injecting their own funds into the circulation were numerous, and legislatures of different states chartered banks and corporations with power of issue, another form of money sprang into existence.

The two so-called United States Banks, whose successive careers covered a period of fifty years, from 1791 to 1841, were, like the state banks, managed corporations. The note issues of the former were purely a form of individual money. The organic difference between them was that the latter species were chartered by state legislatures, the former were chartered by the general government. In 1857 congress demonetized all foreign coins, and to that late day had been circulating

as lawful money at a fixed valuation. This piece of legislation which transformed the bulk of the bank reserves from a species of individual money into a non-legal-tender commodity was the chief cause of the financial panic of that year which swept the majority of the wildcat banks, as the institutions chartered by state legislatures were called, out of existence.

State banks, however, continued operations until after the breaking out of the Civil War when government imposed a ten per cent tax on their circulation which put a quietus upon all institutions of that character.

Mention of the national bank currency brings the review of the several forms of banker's money in our financial history down to date.

It would seem as if the great volume of treasury paper which was certain to be required and issued on account of the Civil War would have made a requisition upon bankers to supply the nation with a circulating medium quite unnecessary. However, taking advantage of the confusion of war times, the banking fraternity once again managed to inject a credit form of individual money into the circulation.

No wild cat banker enjoyed the sinecure which those who organize national banks obtain.

The former did business entirely on his own capital. The latter has the entire volume of his paper circulation loaned to him practically without cost, by the nation, and he may use it as long as he chooses to remain in business. To illustrate. An individual, say, has accumulated \$100,000, which he invests in government bonds bearing five per cent per annum inter-

est.* This would yield him \$5,000 a year, a sum which would enable him to live retired and at ease for the remainder of his days.

But such an individual concludes to secure for himself the additional advantages which the national banking act offers to capitalists, and distributing a few shares of stock among friends so as to comply with the law requiring a certain number of persons to be associated in such an enterprise, he incorporates a bank.

He deposits his bonds with government and receives back \$90,000, in money of the \$100,000 which he originally paid for the bonds, and this money he loans and reloans to the people at an interest charge. And he continues to receive \$5,000 a year interest on his bonds just as though he had not been set up in the banking business by government, and been loaned \$90,000 working capital!

The National Bank Act introduced in the senate by John Sherman was passed February 25, 1863.

Let us assume the average of national bank currency in circulation for thirty-five years to have been \$200,000,000.* At ten per cent per annum increase money doubles itself in ten years, so that at simple interest the two hundred millions which society has loaned to national bankers during these years, at the expense and loss of the remainder of the population,

*Government paid as much as seven per cent. on some of its bond issues.

*According to a report of the Comptroller of the Currency the circulation of 2,714 national banks on October 1, 1885, was \$269,000,000, and of 3,676 national banks on October 6, 1896, eleven years later, \$209,000,000.

might and undoubtedly has earned them the enormous sum of seven hundred million dollars!

In view of these facts we can not but conclude that the national banking system is indeed the best banking system on earth—for those who engage in it.

Salmon P. Chase, Secretary of the Treasury under Lincoln said of it:

“My agency in procuring the passage of the National Banking Act, was the greatest financial mistake of my life. It has built up a monopoly that affects every interest in the country. It should be repealed. But before this can be accomplished the people will be arrayed on one side and the banks on the other in such a contest as we have never seen in this country.”

The struggle with the money power which Salmon P. Chase predicted is immediately before us, and can not but eventually result in its utter annihilation.

SOCIETY.—XVI.

MONEY—BANKS—SAVINGS FUNDS.

A banker is just a plain, ordinary every-day citizen who has money to loan. And if it be other people's money rather than his own, which usually is the case, so much the better—for the banker.

We are apt to lose sight of these facts amidst the elegant appointments of the counting room, but we are reminded of them, when, every now and then, the doors of some supposedly substantial bank close, and but a few paltry dollars remain in its money vaults to be distributed among a host of depositors as souvenirs of the beauties of modern banking.

Commercial banking is essentially a competitive pursuit. Its main characteristic is taking increase for the use of a tool, and is not a vocation in which the people collectively ought to engage.

Were all banks abolished to-morrow, those wanting to borrow money would be compelled to seek out individuals in the community who have money to loan, so that as long as we continue competitive methods of doing business, the sign "Bank," by which these gentlemen make their whereabouts known, is really a convenience.

Such concerns would be designated banks of loan and discount, their proprietors would do business on

their own capital, and in case of failure which could only occur through injudicious loans, or speculation outside of legitimate banking, no one but themselves would be at a loss. But, as part of the competitive commercial methods which society has sanctioned in the past, the moneys of the people finds its way into corporate savings banks and other privately owned financial institutions for safe keeping, and it is a notorious fact that for the return of such funds depositors receive no guaranteed security whatever. The receiving of the people's money on deposit for safe keeping is a department entirely separate and distinct from the loan and discount features of banking, and is a function which absolutely can not be satisfactorily performed by any individual or private corporation because banks reloan these funds for fixed periods, and it therefore becomes impossible for them to carry out their implied agreement to repay depositors on demand whenever a considerable percentage of them, in times of financial excitement or otherwise, call for their deposits.*

There was a time when government kept strictly aloof from any interference in the providing of exchange in any form for the convenience of the public. Even the forwarding of small sums of money to distant points was considered entirely within the province of banking concerns, express companies, and other pursuits carried on by private enterprise. Then the

*During a recent bank panic, a western concern which suspended, hung a placard in its window containing the information that: "This bank is closed. It is impossible for any bank to do business when all of its depositors demand their money at one and the same time."

postal money order system was established by government, which even now is being utilized by a portion of the population as a place of safe deposit for savings funds.* And, judging from the general demand that the powers of government in this regard be extended, it is not at all improbable that before long a general savings department will be incorporated as part of the postal money order system.*

Should this be done, it will be in order for government to impose such conditions on the now existing wild cat savings banks of the country as will compel them, like the wildcatters of other days, to discontinue business. The function of caring for the people's savings should be exercised exclusively by government.

And at this late day we still permit banking corporations to share with government the sovereign right to issue money! It almost seems as if the wildcats, like some specimens of the feline species in the flesh, have nine lives.

We imposed a ten per cent. tax on their circulation, when they metamorphosed into national banks, and instead of being taxed excessively on circulation, as has been remarked in the preceding chapter, we loan them the capital, with which they do business!

*From the report of the second assistant postmaster general it appeared that for the fiscal year ending June 30, 1897, nearly \$8,000,000, received for money orders remained uncalled for in the hands of the department. Though intended for no such uses the money order department was to that extent utilized as a place of safe deposit.

*Since the above was written, such a system, amounting virtually to a chain of government savings banks, has been established.

In the not overly elegant vernacular of the street, we are great chumps!

But nevertheless, the day of individual money, both gold miner's and banker's, and the day of the privately owned savings bank will soon come to an end. Gradually collective money is developing, and must eventually crowd out of the monetary field the last vestige of individual money. It is simply a question of time, and that not far off from all indications.

A test of whether certain moneys are of a collective, or of an individual character may be found in a reflection upon who gains by its destruction.

Suppose that \$2,000, half composed of gold coin, and half of treasury notes of government, goes down with a steamer to the bottom of Lake Michigan.

In the case of the gold coin, which is individual money, no one would be the gainer, whilst in the case of the treasury notes, which are collective money, notwithstanding the fact that they are redeemable in gold coin, the nation would be the gainer.

Let \$1,000 in national bank notes, which are individual money, be consumed in a conflagration, and the nation is none the gainer. The individuals who are permitted to perform a government function in issuing such money gain however just as they do when, through the death or disappearance of those who deposit it, money deposited with them for safe keeping remains uncalled for.

The nation should in all cases gain by the destruction or loss of money which it is impracticable to replace, and also by the moneys upon deposit which remains uncalled for.

This would be the case were there no other than collective money in circulation, and were the receiving of the moneys of the people on deposit made, as it should be, an exclusive function of government.

SOCIETY.—XVII.

MONEY—CREDIT—REDEMPTION.

The use of coined gold is in reality merely part and parcel of the ancient system of barter. When we purchase any material thing with gold coin we simply exchange commodity for commodity. No element of credit whatever attaches itself to such a transaction.

Credit has been utilized in various forms from times immemorial, and it is a singularly striking fact that, outside of material things, it is the only economic element which, like coined gold, can hold wealth in abeyance so that we may not be compelled to purchase the necessities or comforts of life until needed for use. An employe of a great department store might, for example, say to the proprietor who tenders him fifty dollars in gold coin for his month's services: "This money is bulky and inconvenient to carry about, and I have no confidence in banks. I will soon need a number of things that will about equal its amount in cost which I can purchase out of stock so that it will suit me just as well if you will let the amount remain to my credit on the books." With subsequent purchase of the things he needs the credit would be cancelled by an off-set.

If we reflect upon that transaction we observe that if this credit had been evidenced by a due bill on the store, it might through its transfer to a third person,

by him to another, and so on, be made to serve the purpose of a circulating medium, and the liquidation of the indebtedness which it represented would have amounted to its redemption. In these exchanges the use of gold coin would, as we have seen, be entirely dispensed with.

The use of credit, however, out of which to construct a circulating medium, and a provision for its redemption, go hand in hand.

But redemption in its broadest sense is nevertheless nothing more nor less than a process of liquidation or cancellation of indebtedness, which can be brought about in various ways other than by the payment of money.

Moreover, indebtedness can be cancelled or liquidated by the off-set of things both tangible and intangible.

Thus if one holds the obligation of a baker calling for the payment of a dollar it is possible to liquidate that obligation by the delivery of an equivalent in bread. If one held the obligation of a theatrical manager for a similar amount it might find redemption in a ticket of admission to the opera. A landlord might redeem his due bills in house rent, and so on. Such cancellation of indebtedness if arranged for beforehand might be correctly designated as specific redemption.

The great Plato maintained that "the state is but the individual on a larger scale, the individual is but a miniature state," and in nothing to which it may be applied does the soundness of that philosophy become more apparent than in the respective use of their credit by nations and individuals, and in the simi-

larity of the manner in which they redeem their obligations.

All nations make more or less use of their credit, and their obligations find redemption in a number of ways other than by liquidation through the payment of coined gold.

An early application of the principle of specific redemption in connection with the use of the public credit as the base of a circulating medium was made in the construction of the Guernsey market house, an incident which has become famous as an advance in monetary science.

The citizens of the parish of St. Peter, Island of Guernsey, at a town meeting resolved upon the erection of a market house in the borough, and intimated to Governor De L'Isle Brock by petition their desire that he issue interest bearing bonds to be negotiated in Paris or London for money wherewith to erect the building. The committee of freeholders who presented this petition found no difficulty in convincing the governor that the enterprise would be a paying investment, as the rent income from market stalls would in a series of years fully repay the outlay for the building. The governor, however, was not a conservative fossil, and determined on making an innovation which, beside serving as a valuable lesson in finance, would save the interest on the cost of the market house to the towns-people.

Instead of negotiating interest bearing bonds, he issued currency scrip for twenty-two thousand dollars the estimated cost of the building.

This currency in bills of various denominations was made receivable at par with legal tender money for

rent of the stalls, and was paid out to the mechanics who erected the building, and for rock, lumber, brick, lime and other needed material as the work progressed.

It circulated in the island at par. Every month's rent reduced its quantity and in less than ten years all was back in the treasury and marked "cancelled." The house had been built and paid for without resort to interest bearing bonds or the use of other money than the governor's currency as a means for its construction.

To impress the incident vividly on the minds of the people and commemorate it for the benefit of future generations, the governor appointed a special day to celebrate the anniversary of the building of the market house.

When it came around, a bonfire was built in the main thoroughfare, and after an address by the governor in which he enlarged upon the benefits which a community derives through the use of its credit, whenever practicable, as the base of a circulating medium, the currency which had so well served its purpose was publicly destroyed.

If we analyze that currency we find that it consisted of the public credit in circulation, and that the bills of various denominations were small separate divisions or portions of its aggregate volume. We further observe that the income from the rent of market stalls constituted the one specific resource which made its complete scientific redemption possible, the public credit carrying the venture until this resource became available.

And long before the birth of our republic, while yet the American colonies were dependencies of

England, various states issued a considerable volume of legal tender currency not redeemable in coin, which was put into circulation through loans to the people on land and other securities.

These currency issues were made receivable for taxes due the state, which constituted the only specific source of redemption available in those days.

The State of Pennsylvania continued a volume of \$400,000 of such currency in circulation for thirty years until it was prohibited by the home government in 1775.

The money power of England was, of course, greatly displeased with a currency which was rapidly placing the finances of the colonies beyond its control, and through its influence the use of such a circulating medium was interdicted by the English government. It is a historical fact that the suppression of the Colonial currency, particularly that of Pennsylvania, contributed more than any other cause toward arousing that spirit of resistance to external interference which culminated in the war of the revolution.

This was but natural considering that it had proved in every way an unqualified success.

Benjamin Franklin defending the Pennsylvania colonial paper money before a committee of the English Parliament in 1764, said: "On the whole no method has hitherto been found to establish a medium of trade, in lieu of coin, equal in all its advantages to bills of credit founded on sufficient taxes for discharging it at the end of the time, and in the meantime made a general legal tender."

In volume 4, page 85, of his works, the same authority says: "Gold and silver are not intrinsically of

equal value with iron. Their value rests chiefly on the esteem they happen to be in among the generality of nations. Any other well founded credit is as much an equivalent as gold and silver. Paper money, well founded, has great advantages over gold and silver, being light and convenient for handling large sums, and not likely to have its volume reduced by demands for exportation."

In this declaration that "any other well founded credit is as much an equivalent as gold and silver" the philosopher-statesman enunciated the true theory of redemption, which is simply the cancellation of indebtedness. And it is as true to-day as it was then that "paper money, well founded, has great advantages over gold and silver, being light and convenient for handling large sums, and not likely to have its volume reduced by demands for exportation."

The importance of the specific source of redemption of currency through its receipt for taxes was realized as well by another of the great founders of American democracy.

Referring to this resource Thomas Jefferson in his letter to Mr. Epps said:

"It is the only resource which can never fail them, and it is an abundant one for every necessary purpose. Treasury bills, bottomed on taxes, bearing or not bearing interest as may be found necessary, thrown into circulation, will take the place of so much gold and silver."

Such a currency issued by the states at various times for nearly a century did never fail them, was an abundant one for every purpose, and would have remained so had not the revolution brought about a

change in government under which the states were not permitted to issue money.

But it had been demonstrated that government might with unqualified success put the public credit into circulation by means of a paper currency redeemable in a certain specified resource other than the gold commodity in minted form.



SOCIETY.—XVIII.

MONEY—COLLECTIVE CURRENCY.

A proviso of the Constitution empowers Congress to borrow money on the credit of the United States.

In accordance with that provision Congress has made liberal use of the public credit to replenish the treasury from the very beginning. To that end it has issued both interest bearing and non-interest bearing treasury obligations, and has tided over emergencies in this manner at short intervals throughout our entire career as a nation.

But again, "the state is but the individual on a larger scale." An individual makes the best possible use of his credit.

So ought the state. If it can borrow money at six per cent it is not justified in paying ten. If its credit improves and it can refund its outstanding indebtedness at a lower rate than three per cent there is no good reason why it should not do so.

And if it gain in power and strength so that in the fullness of its prime it becomes possible for it to diffuse its credit, by means of a paper circulating medium, among its own people so that it may not be compelled to call for external aid, such would be an entirely rational and proper course for it to pursue.

Like an individual the state is weak and unable to do but little for itself in its infancy, and like an infant

it falls down repeatedly, so far as its financial strength is concerned, before it is able to stand upright.

The currency of the Continental Congress carried the war of the revolution to a successful issue. But, unlike the currency of the American colonies which had been made redeemable in a specific resource other than coin, the currency issued by the provisional government of the federated states was made redeemable in metallic money. Government did not possess the individual money—the gold and silver coin—for its redemption, and because of this and other unfavorable conditions the entire volume of currency was eventually repudiated.*

Coin is also a specific source of redemption, but as long as we arrange so that bankers become the sole judges of the soundness of the public credit only a limited volume of paper can ever be floated redeemable even in coin.

Scanning the pages of American financial history we find that the first volume of non-interest bearing collective currency issued by the permanent government of the United States was put into circulation toward the close of the war with England in 1815.

Other issues made during the three preceding years

*A number of things contributed to the annihilation of the currency of the Continental Congress. The currency in the first place was not issued by a stable government but by a section of a nation striving for independence. There was no certainty that the revolt would succeed. At times it seemed as if the effort would certainly prove a failure. The currency was crude, easily counterfeited, and when, through the machinations of the money power, it was stripped of its legal tender quality, which in effect was a disclaim of its being money by the power that issued it, it became utterly worthless.

of the war bore interest, and the fact that government had dared to put a volume of non-interest bearing treasury bills into circulation aroused the indignation of all the banks in the country.*

Pressure was brought to bear on Congress to repeal the banking combine which resulted in the repeal of the law authorizing the re-issue of this currency, and the charter of the second United States Bank. The plan to issue a paper circulating medium was relied upon to this and other banking corporations for the gain of individuals.

The state was weak and could not carry out its national purpose. On the other hand, the money power proved itself stronger than the nation.

And this banking monster, like an insatiable fire, is still draining away the life blood of the nation at its very source.

Interest bearing treasury notes were issued on various times during the financial panics of 1812, 1814, 1815, once to carry on the war with Mexico in 1846, and again to tide over the financial convulsion of 1893.

And then came the non-interest bearing currency of the Civil War, 346 millions of which have been retained and are still in circulation.

This collective government currency is the most popular money in use, and when we look upon the greenback currency note it is difficult to realize that when the value of gold was at its highest during the war of 1861-65, one dollar was worth fifty dollars and over in just such treasury notes.

*The issues referred to were: June 3, 1812, \$5,000,000; February 25, 1813, \$10,000,000; March 4, 1814, \$10,000,000; March 4, 1814, \$10,000,000; December 26, 1814, \$10,000,000; and February 14, 1815, \$25,000,000.

which government pledged itself to redeem in coin on demand, were freely given in exchange for twenty dollars of the same kind of coin in which that treasury paper was redeemable.

Yet such was the fact.

As was remarked, gold could not have gone to a premium without the presence of a monetary measure capable of measuring the artificial value of the gold commodity. The money stamp impressed upon the greenback supplied such a measure, and two conflicting monetary standards in use at one and the same time naturally tended to complicate the monetary situation and embarrass government.

The following discourse never took place; yet the situation was actually reproduced on a many times enlarged scale, and illustrates how redeeming collective money in individual money operates on occasion.

Treasury official to battle-scarred veteran:

"No, sir. We do not pay your arrears in gold. Gold is a commodity with no fixed value. It is now worth \$2.80. You might as well ask us to give you \$2.80 in flour or potatoes for every dollar government owes you as to ask us for payment in gold. This currency is now the only money in circulation—the only money in the land. It will procure you anything you desire to purchase at a hundred cents on the dollar. It is good money."

The veteran takes his departure and a banker, who has listened to the conversation while awaiting his turn, now throws down a bundle of greenbacks before the same official with the remark, "Redeem these, please."

"But, my dear sir, you bankers have made gold a

commodity and have raised its value. haven't the coin on hand."

"What if it is a commodity," the other government had agreed to redeem this paper a dollar a hundred pounds and flour went per 100, government would be at the loss. If you haven't the coin it does not matter bearing bond will do as well."

And the bond, which had been special for such occasions, was forthcoming.*

Now, the information imparted to the public was entirely correct, and yet the very nature of the transaction was gauged by a conflicting standard.

Had it been possible to demonetize gold during the period the banking fraternity could not have secured \$2.80 worth of any commodity for a dollar in money.

But it was not practicable to demonetize gold at that time. A war period, when the public mind is under its greatest strain, is not the proper time to

*The following letter to Congressman Gaines (see) bears directly on this point:

Department of State, Washington, D. C.
Hon. John W. Gaines:

Dear Sir—Your note of this date is received. I am sorry to hear that you are troubled by the question whether, during our Civil War, the bonds of the United States were paid for in United States notes called greenbacks.

During our entire Civil War we received gold for our notes in payment for bonds. The interest on the bonds was paid in coin and to enable the treasury to do this the duties on imports were made payable in coin.

Very Truly Yours,
JOHN S. GARDNER

currency reform. This can best be done when the country is at peace.

The fact remains, however, that if even a single treasury note of the millions of "greenbacks" issued during the civil war could have found redemption in a resource of government other than metallic money, such a note could not be properly aligned as redeemable exclusively in coin.

Suppose for example that John Jacob Astor had turned a \$10,000 greenback into the treasury in payment of his income tax, that bill would certainly have found perfect and complete redemption.

And inasmuch as any particular note or bill might have found perfect redemption when returned into the treasury in liquidation of the income tax; in the payment of revenues and customs; by the individuals and firms on whom was levied a special tax for the privilege of carrying on their vocations; through its receipt in payment for public lands, and through its receipt in payment for either postage or revenue stamps, it follows by a sound and logical process of reasoning that the entire volume of war greenbacks were not redeemable exclusively in coin, but in other available resources of the nation, not specified, as well.*

In fact, were we to retire the treasury notes now in circulation as is being urged by banking interests we would be discarding a collective currency a great portion of which is now, day in and day out finding

*Gold certificates issued during the war, redeemable exclusively in gold coin, are still in existence. In fact and effect these were specifically redeemable in a resource consisting of gold coin as it became available,

perfect redemption in resources of the nation other than coin.

And considering the various ways in which treasury paper finds redemption might we not with propriety even now change the phraseology on our currency so that instead of being a promise to pay exclusively in coin, which now means gold, it would become redeemable in any available resource of government?

The nation is weak no longer. If it allows itself to be overcome by a coterie of money changers it is only because its people do not understand the situation, and what is required or necessary to be done.

We are nationally strong, but we must exert that strength and shape our monetary system so that it will bring the greatest good to the greatest number. But, as has been remarked, we must do this in a time of peace; not in a war period when our credit is at its greatest tension. The outstanding volume of treasury paper, though finding other than gold redemption, is construed as being specifically redeemable in gold. Let it remain so for the time being.

Side by side with it we should circulate a volume of currency redeemable, at the pleasure of government, in any available resources of the nation.

The reserved option of redemption would, in effect, be no departure from the existing policy of redemption, because when gold is not available in an emergency government suspends specie payments. At other times, with gold available for the purpose, government might and no doubt would redeem its improved treasury paper in coined gold on demand, while every form of treasury paper would be redeemable interchangeably in any resource of the nation.

The weight resting upon the gold base of our monetary system is altogether too great, and it would seem the part of wisdom to distribute the strain over as many new piers as can possibly be inserted underneath the monetary structure.

Had we a government telegraph, or a collectively owned railway system they would constitute sources of currency redemption additional to those that now exist and by so much reduce the volume of currency that would otherwise be subject to redemption in coined gold.

It is said Uncle Sam is a pauper, and one would think so in view of the fact that he has so frequently been compelled to borrow a monetary tool, and pay an interest charge for its use.

He who is unable to help himself is poor indeed. But what shall we say of him who being able to help himself goes a borrowing!

Let the people construct their own monetary tool out of the public credit. Not some of the people as under the national banking system, but all of the people under a government system.

Let them gradually reinforce and strengthen the public credit which they put into circulation with tangible resources having an earning power, and Uncle Sam would, for the first time in his career, have gained financial independence.

SOCIETY.—XIX.

MONEY—PUBLIC WORKS.

Every form of money is issued in accordance with law—its appearance must be preceded by legislation which creates its money quality, so that were government to emit bills of credit in the form of the paper currency now in use, redeemable in any resource of which government may be possessed, the provisions of the law authorizing such an issue rather than the wording upon the treasury bills would cause it to be generally received as a circulating medium of exchange.

We will now suppose such a law to have been placed upon the statute books, and assuming the prosperity welfare and happiness of the people to be the primary object of government, we will consider how such an improvement in our monetary system would operate to bring about a decided betterment in social conditions. In fact, whether or not it would effect such results ought, in reason, to be the only measure of its success or failure. And if it be demonstrated that it would bring to our people permanent prosperity on what ground could it possibly be rejected?

A people that would not reach out for the means of deliverance from industrial servitude is not fit to enjoy industrial freedom, and whether or not we will throw off the shackles of the financial slavery in which we are

held when shown the peaceable way, will determine the real stage of our advancement and intelligence as a people.

But we may rest assured the people will not continue the use of an antiquated circulating medium when fully convinced that a more modern and perfect is to their advantage.

But we are digressing.

It would seem on a survey of the situation that the first thing to be done is to provide employment for the people. This in turn would supply a channel through which a volume of collective currency could be put into circulation to the best advantage.

Let us suppose government, to these ends, undertook the erection of a splendid postoffice building in each of 200 cities.* (the more pretentious to be erected in the more populous cities) at the following estimated cost:

50 buildings at	\$ 200,000 each
50 buildings at	150,000 each
50 buildings at	100,000 each
50 buildings at	50,000 each

This would sum up 25 million dollars for the 200 buildings, a mere bagatelle compared to the sums the nation is frittering away in interest for the use of the individual money of gold miner and banker.

Government would not be justified in venturing up-

*According to the census of 1890, there were in that year 448 cities of over 6,000 population in the United States. In the spring of 1898 there were 247 completed government buildings in as many cities, and in 9 other cities postoffice buildings were in course of construction.

on the erection of so many public buildings at one and the same time, under existing monetary conditions.

In fact, where conditions are such that government, as now, is compelled to borrow money at stated intervals to maintain its credit, all public improvements are virtually made at an interest charge, so that undeniably we are paying interest on the cost of a number of the public buildings already erected.

To erect these 200 buildings with individual money would increase taxation, and arouse the opposition of property holders. At the same time the mechanics and laborers of the country would look upon their erection as a god-send for the work it would give them.

But, embarrassed as it is financially, government does not, on an average, erect more than four or five public buildings a year, so that, at the present rate of progress, it would take at least forty years for the nation to erect 200 public buildings.

Such being the case, we will now consider how we might erect these 200 buildings with an improved collective currency, and the status of affairs that would exist on their completion. It is customary in city, county, state and nation for appropriations for expense of administration and for public works to be made at the beginning of each and every fiscal year. This is in accordance with city, county, state and federal laws. The constitution itself provides that "no money shall be drawn from the treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public moneys shall be published from time to time."

Congress, as we have assumed, determines to erect

these 200 buildings. An appropriation to defray their cost is made, and it is ordered that \$25,000,000 in paper currency redeemable in any resource of government, be issued to carry on the work.

An army of steel workers, stone cutters, brick layers, plasterers, carpenters, roofers, tinnerns and other skilled and unskilled laborers are set at work, the sum of money appropriated, in newly printed treasury notes, is paid out on the work as it progresses, and in a year or thereabouts the buildings are completed.

The buildings would be paid for; the laborers of the country benefited; each of two hundred cities improved by the erection of a beautiful structure for public use; the nation enriched to that extent; the volume of money in circulation measurably increased; and not an additional dollar of currency could be issued until an appropriation for public expenditure otherwise would be determined upon.

With individual money in use the people would have been taxed either directly or indirectly through revenue and tariff impositions both for the cost of the buildings and the interest upon the money with which they were erected, but with an improved collective currency in use, strange to say, there would not a dollar of burden be placed upon the people. And this as a result of the use of an improved monetary tool in which the money stamp of government would be separated from the valuable commodity, instead of calling upon gold miners, as we now do, to supply us with an implement with which to carry on industry. If we imagine ourselves compelled to use the gold commodity as a medium of exchange we are in turn compelled to obtain

it at any cost. And bonds mean bondage. In contradistinction to gold coin, which is a commodity in circulation, such an improved collective currency would be a monetary tool constructed of the public credit in circulation, and the distinction between such a currency and the government paper now in use would be that while the latter is construed as being redeemable exclusively in coin, the former would be redeemable in any available resource of the nation other than coin, and in coin only at the pleasure of government.

The credit of the nation at the present time is based directly upon the taxing power of government through which it may seize upon the last vestige of individual property to liquidate its obligations payable in the gold commodity. Every other commodity would, were prevailing monetary theories carried out, be sacrificed, in a contingency upon the altar of gold.

And have not wheat, corn, cotton and other commodities and the labor wealth of the country been so sacrificed to these many years? The credit of the nation needs to be continually bolstered up because of the known impossibility of the governments of earth to redeem their obligations in gold. The gold is not in existence, and not even the taxing power of government can bring to light that which has no existence. And such a monetary plan is considered neither fatuous nor ridiculous—by those who profit by its continuation.

But with a demonstration of the wealth which perfected monetary tools not made of gold would create, the credit of government would develop its mature strength as if by magic, and all doubt of the ability of government to deal justly with its creditors would for all time disappear.

Then, with a change in monetary tools, a change in creditors would take place.

With the gold commodity retained in monetary use, the creditors of the nation are a handful of bankers and capitalists who take little interest in the people beyond studying up opportunities to exploit them and their government.

With a currency in use redeemable in any resource of the nation all financial leeches upon the body politic would be shaken off, and the people themselves would become the sole creditors of government. Nor would it lie in the power of any individual or combination of individuals to discredit the currency through whose use society as a whole was being benefited.

The two hundred public buildings so erected would, at least in the judgment of the new creditors of government—the citizens of the nation—be worth their cost, and representing that much additional wealth would to an equal extent strengthen the national credit.

The channels of redemption of currency issued to defray the cost of public works would necessarily equal the total of government receipts, and these in turn must be made to cover the total disbursements of government including the cost of public works.

All that would be necessary would be to make sure that whatever amount of currency was issued was put into circulation for the purpose for which it was appropriated. Its redemption would go on unconsciously.

As it circulated among the people until received back into the treasury it would, in the same manner in which gold coin is redeemed, find redemption di-

rectly in commodities and service, and the conveniences comforts and accessories of life.

Only the small percentage of gold coin taken out of circulation and used directly in the arts and industries finds final redemption; the great bulk of minted coin while circulating among the people now finds what may be designated as an intermediate redemption.

A volume of gold coin sufficient for all purposes of exchange is supposed to remain in continuous circulation; and similarly were consecutive issues of collective currency to displace gold entirely, a volume of such currency sufficient for all purposes of exchange would remain in continuous circulation.

However, aside from the intermediate redemption which currency issued in the construction of public works would receive as it passed from hand to hand, and its final redemption by government, it would receive economic redemption otherwise.

Individuals perform more or less labor to increase their personal comfort, as when a man erects his own habitation for which labor he is compensated solely in its use and enjoyment. So with society. It creates its public works for its own convenience, and, like the obligation of the theatrical manager which found redemption in an operatic performance—in an intangible pleasure or enjoyment—so would the continuously outstanding volume of collective currency find an equivalent of redemption in the use and enjoyment by the people of the public buildings, bridges, levees and similar improvements whose construction would become possible only through the use of that very currency.

No such burdens as now weigh upon individuals in

the construction of public works would then be imposed.

Does a tax-payer ever receive back the money he contributes toward the erection of a court house or the construction of a public park? And does there not seem to be an incongruity in the circumstance that the people of one generation pay in full for public conveniences which succeeding generations as well enjoy? In the natural use of the volume of currency in continuous circulation those that come after would contribute as did their progenitors toward the construction and maintenance of public works, and without incurring a modicum of hardship on any, exact equity would be meted out to all.

As individuals we favor the free construction of public works of every description. It is simply a question of ways and means, and, as herein outlined, such means are ready at hand if we but make use of them. Possessed of its own monetary tools no necessity need ever arise for society to compel a considerable portion of its membership to go idle because of the lack of employment.

Heretofore, men have asked, How can we make these improvements when we have not the money? Where, and at what rate of interest can we borrow the capital to do this work?

Never again would such questions be asked with an advanced collective currency in use. It might then be asked, Have we the men, and the material, and the machinery to do this work, were it not for the fact that the existence of a nation of eighty million of the most industrious and intelligent people on earth command-

ing the six million horse powers of Niagara, the twenty additional millions of our mountain streams, cataracts and rivers, and the inexhaustible resources of our common country would render the asking of such a question a superfluity.

SOCIETY.—XX.

MONEY—MUNICIPAL PUBLIC WORK.

In the same manner that we could erect 200 post-office buildings for government, we might construct a splendid library building, a public museum structure, and an auditorium in each of 200 cities. Nor does a good reason exist why we might not so construct 200 city halls, 200 court houses, 200 street car systems, 200 electric lighting plants, or 200 systems of water supply in as many municipalities, in case they were needed.

An impecunious individual once remarked that, if he had nothing he, at least, did not owe a dollar in the world*

So with cities. There are some municipalities possessed of a very limited amount of public works, that are out of debt. These are like individuals who might procure for themselves certain comforts of life but refrain from so doing because they have an aversion to going in debt.

As a rule, municipalities that have many costly public works are deeply in debt.

The public buildings and other conveniences of most cities are constructed with borrowed capital, and

*How many business men would have little or nothing if they did not owe a dollar in the world?

the citizens find the interest charge upon such indebtedness a burdensome thing which it is difficult to shake off. Year in and year out they are compelled to pay interest, interest, interest!

If the nation is a pauper, whose credit, with gold as a monetary basis, needs strengthening, so are its children, the cities, and as long as it is at best a family matter why not let the head of the family—the nation—attend to all financial affairs?

Though controlled by the municipality the streets of a city are public property. Why should a handful of individuals be compelled to defray the cost of their maintenance? They are public highways, and as such should be constructed, improved, and maintained by the nation. And why should a limited number of individuals be taxed for the cost and maintenance of the public parks of a city which though vested in the municipality are enjoyed as common property?

All public work the country over should be carried on by the nation by means of collective currency specifically appropriated. It would now be carried on in this manner had a collective policy in regard to land been instituted by the founders of our government.

From time to time, as additional industries would be undertaken by government, it might, on requisition for same approved, supply school districts with the text books, furniture and other belongings of the school room, all of its own manufacture, and the school house, no matter how costly or elaborate, included, free of charge.

If it could supply municipalities with their public buildings it might in a similar manner supply them with

their fire apparatus; with an electrical clock on every street corner;* with a telephone system; and with any and all utilities otherwise for the convenience of the people.

The conflicts between our federal and state courts and the useless duality of our civil and criminal jurisprudence has not escaped the notice of observing minds. All judges upon the bench, the magistrates of our towns and villages not excepted, and individuals otherwise connected with the administration of justice, should, and of right ought to be directly in government employ. We should endeavor to, as much as possible, simplify our unwieldy and complicated machinery of government.

Suppose we could readily make the changes suggested, would there be any necessity at this stage for keeping up distinct municipal or city government? With firemen, policemen, judges, auditors, clerks, and all those engaged in caring for the public streets and buildings taken over into government employ we could entirely dispense with our unsatisfactory and expensive city administrations.

And what object would be attained by continuing our equally unsatisfactory and expensive state governments were congress to enact a uniform code of civil and criminal laws for the entire country?

On reflection we cannot but perceive how little good is accomplished by our state governments, and if we

*Clocks connected by wire with a chronometer centrally located are becoming quite common. At an advanced collective stage a time piece so connected might be installed in every business place, factory and home.

look into the matter deeply we find them to be to a great extent responsible for the polluted political atmosphere in which the country is enveloped.

But neither city administrations nor state governments can be abolished in a jiffy. Changes of so vast a nature involving the doing away with charters and constitutions and the remodeling of our entire form of government could only be approached slowly and gradually. They are not immediate steps to be taken, but it is well for the people to think seriously and deeply upon the subject. If they do, they must conclude that such changes would be a good thing, and an advantage to the nation, and that eventually they will have to be made.



SOCIETY.—XXI.

GOVERNMENT.

Near an English settlement in Africa were located a tribe of natives whose chief was a powerful young giant in strength and stature. In a conflict with neighboring tribes he fought courageously, but, though he made full use of his strength and power in battle, no persuasion could induce him to make use of his splendid physical qualities in the cultivation of the rich soil over which he held sway. His savage nature was aroused by war, while the arts of peace held no attraction for him.

From the way we manage, one would be led to believe that the nature of the savage still lurked in our make-up as a nation. Were a foreign invader to come to our shores, we would put up every dollar of wealth we possess and impress every man capable of bearing arms if necessary to repel him.

We are a young giant in war, but as a nation, we turn from the arts of peace even as the young Negus refused to turn up a furrow in the soil of Ethiopia. If we may carry on war collectively why not industry in a time of peace?

Why not conquer nature by united effort instead of each, in cannibalistic fashion, striving to carve a competence for himself out of the life and blood of his fellow? We squander vast sums in works of destruction

and collectively make but the slightest progress imaginable in works of construction.

Let us, for example, see what might have been accomplished in works of construction by a sum equaling the interest charge alone which we have paid upon the cost of the war of the rebellion. A great iron and steel plant complete in every detail can be constructed for say \$5,000,000.

We will now imagine that Congress has authorized the construction of one such plant in each of the states of Alabama, Colorado, California, Illinois, Missouri, Michigan, Ohio, Oregon, Pennsylvania and Texas. This would make ten great national iron and steel plants in all costing fifty million dollars.

We will further imagine that congress has authorized the establishment of one thousand other great manufacturing industries at an average cost of one million dollars each. We will suppose these to be just such concerns as are now being operated in the various cities of the country north, south, east and west, and imagine them to include plants for the manufacture of wire and electrical apparatus; of locomotives and other rolling stock; of bridges; of hardware, furniture, crockery, glassware, men's, women's and children's wear; of paper stock; of dairy products and breadstuffs; of text books and school furniture; of painters', plumbers' and druggists' supplies, and so on, the thousand plants supplying every manufactured product that a limited population might require. In addition to these, were government to construct twenty-five splendid modern ocean steamships at a cost of \$3,000,000 each; one hundred elevators and warehouses for the storage of cereals

throughout the country at a cost of \$1,000,000 each; an electric lighting plant costing \$500,000 in each of 300 cities; a street car system costing \$500,000 in each of 300 cities; a public newspaper plant costing \$500,000 in each of 300 cities; a waterworks system costing \$500,000 in each of 300 cities; a postoffice building costing \$500,000 in each of 300 cities; an imposing railway station costing \$500,000 in each of 300 cities; an ornate library structure costing \$500,000 in each of 300 cities; a magnificent opera house costing a similar amount in each of 300 cities; and a telegraph system for the country at a cost of \$75,000,000, were government to construct all these in addition we repeat, it would not have expended by \$32,096,903 a sum equaling the \$2,532,096,903 which according to official reports we paid as interest upon the public debt from January 1, 1862, to December 31, 1893.

The interest we have paid since the latter date on account of this same war debt amounts to considerable over a hundred million dollars.

Let us waive the excess and call it that amount in round numbers. For such a sum, at a cost of \$10,000 each, we might have erected TEN THOUSAND substantial modern school buildings throughout the country.

And all of this vast wealth and the opportunities for the better enjoyment of life by the many which it represents has been frittered away in interest upon the cost of the civil war!

The original cost of the war exceeded the vast interest charges we have paid on its account by considerable over a hundred million dollars. At present rates

of construction \$15,000 will grade, bridge, and double track a mile of railway. So that for a sum equalling the \$2,773,236,173 at which our public debt stood at the close of the rebellion we could today (1898) not alone duplicate, but double track the 180,000 miles of railway now existing in the country, and still retain upwards of seventy three million dollars to be applied toward extension of the system.

We have already disbursed over two billion dollars in pensions on account of the war of the rebellion.

In mentioning this subject we must not be understood as intending to convey the impression that there is the slightest impropriety in these funds being so disbursed.

What we do intend, however, is to suggest how we might proceed to eliminate the prevailing industrial warfare which is a great deal more destructive of life and wasteful of wealth than is its less insidious prototype.

But to return to our main subject. In a complex civilization, like that in which we live, it becomes utterly impossible for each individual to acquire a home through his own exertions however well directed.

The people, through their government, can and ought to provide themselves with homes in a way that society would eventually become the sole landlord.

Let us imagine government undertaking the erection of a great number of ornate and substantial brick, stone, and tile structures, ranging say from two to eight rooms in interior space, intended as habitations for the people.

The designs of these dwellings would admit of be-

ing varied to an unlimited extent; they might be far better supplied with the conveniences of modern life than are a majority of homes owned by their occupants at the present time, and, while each might stand in the center of a spacious lawn, and front upon a parked and shaded boulevard, their average cost need not exceed, say, two thousand dollars.

Calculating upon that basis, for a sum equalling the two billion dollars we have disbursed in pensions we might erect two million such homes, or five thousand beautiful dwellings in each of four hundred cities.

At an average rental charge of ten dollars a month, were each and every habitation continuously occupied, government would receive, in rentals, a gross income of 240 million dollars per year, so that their original cost might be fully re-earned within one short decade.

It is not at all improbable that the cost of the civil war, including interest and pensions on its account which are still running on, will in time reach the enormous aggregate of ten billion dollars.

And the question arises, If we may expend such a stupendous sum in liquidating the cost and the aftermath of a single war, why may we not expend a similar amount or more in a time of peace, when our credit is at its best, in works of construction and usefulness?

Again, "the state is but the individual on a larger scale." What an individual may do to make life more agreeable that may society do for its own well being. Hence, when a state has so far advanced as to be enabled to produce readily all that is required to keep its people in material comfort, and has in addition acquired the knowledge which enables it to construct its

own monetary tools, there is nothing within the limits of its resources and the wealth producing capacity of its membership, from a great railway system permeating every village and hamlet in the land, down to the manufacture of a shoestring, which it may not for the well-being of its people create.

SOCIETY.— XXII.

MONEY—RAILWAYS—AN INDUSTRIAL CENTER.

It would not have been necessary to carry the idea of collective control of industry conveyed both directly and by suggestion as far as we have in the foregoing pages were we merely considering the interests of some of the people, and not the best interests of society as a whole.

A law authorizing the issue of currency consisting of the public credit, redeemable in any resource of the nation, would relieve the nation of its financial embarrassments, and the opening up of a certain amount of public work would, at least somewhat, improve the industrial status of the country.

But even were we to acquire the telegraph in addition, the nation would still be in the toils of the railway dragnet, our inequitable system of taxation would still continue, agriculture on the whole would still be unremunerative, labor would still be despoiled of the wealth it produced, and the great syndicates, trusts, and monopolies of the country would still remain in control of industry.

And though the remedy for these conditions would have been provided in an improved collective currency, it would still remain for that remedy to be further applied.

When we begin the erection of a new social structure it will not suffice to leave it uncompleted for any length of time. If we do, some will seek the shelter of the portions well along, while others will still remain exposed to the blighting storms of the social elements. We must, to do justice to all, carry the work to completion. At the same time the work should not be hurried to an extent that it can not be well done.

Yet, no good reason exists why we should not make whatever inroads we can upon each and all competitive pursuits at the earliest possible moment. But before we do this, we must confront and overcome the railway problem, because private ownership of our transportation systems stands as a barrier to the development of collective production and distribution.

Government ownership of railroads means, as it does in other advanced nations, government ownership of the means of constructing and equipping a railway system as well. And the question arises whether it would not be better to begin by either constructing outright or acquiring by purchase the various industrial plants required for the manufacture of rails, metallic ties, bridges and rolling stock, and for that matter, of steel and iron poles, and wire for the extension of the telegraph, and of structural iron for our public buildings as well.

It hardly seems the right thing to duplicate the railways and telegraph already in existence, and yet in order to bring the owners of these properties to realize the fact that we could get along very well without acquiring their properties at all, it might become necessary to construct a few stretches of road and wire con-

necting, say, Boston, New York, Philadelphia, Baltimore and Chicago, just to demonstrate what we could do if we tried.

There is little doubt, however, but that we would acquire existing properties through the exercise of our right of eminent domain. They would be subject to the same law which made their existense a possibility, and under that law they would be condemned, appraised, and paid for.

Nevertheless, it might be deemed expedient to lay out one or more entirely new industrial centers, on some newly constructed line of railway owned and operated by government, in the very beginning.

These newly located centers of industry might be planned on a magnificent scale, and be laid out so as to permit of their development into populous cities replete with everything essential to a happy and enjoyable existence.

Were such a course decided upon, corps of surveyors, civil and electrical engineers, architects, sculptors, decorators, florists, landscape gardeners, and other workers having special training would be set to work, and a city would be laid out in consultation, just as was the "White city," at the Columbian Exposition of 1893. Every requirement for the health, pleasure, comfort, and convenience of the people would be provided for, and before long, by the hands of an army of eager workers, a city beautiful as a dream would rise as if by magic.

Locate in such a city, which would be built upon government land, a great iron and steel plant which with its auxiliaries and departments might cost five

million dollars, and fifteen varied manufacturing plants costing a million dollars each, and we would have invested a total of 20 million dollars, a sum no greater than we expended pursuing a shadow in preparing the grounds and buildings of the world's fair at Chicago. Construct, at a cost, say, of two million dollars each, a sewerage and drainage system, a system of paved boulevards, a system of water supply, a tramway or street car system, and an electrical light, heat and power plant, and we would have expended ten million dollars more. Erect, at a cost of, say, five million dollars each, one hundred splendid public buildings. Included among these might be a great court house, a city hall, a post office building, a government savings bank structure, a telegraph and telephone exchange,* a home for a public newspaper plant, a medical exchange, a dental exchange, a lawyers' exchange, and a number of great trade bazaars in which commodities in general would be on sale.

Set each of these hundred structures erected of stone or other substantial material in the center of a square of parked ground and we would have the nucleus of the most magnificent city of either ancient or modern times.

Every street in such a city might be a boulevard lined with the habitations, variegated in design and pleasing in general effect, which government would erect as homes for the people. Not many years ago, the great city of Philadelphia, with a million population, contained, as near as could be ascertained, in the neighborhood of fifty thousand separate habitations. Were

*All wires would be out of sight under ground.

each such structure to cost, say, two thousand dollars on an average, government would expend in the erection of a similar number of homes in such a city a total of one hundred million dollars.

The items enumerated which would represent the expenditure of years of labor by an army of men, would sum up six hundred and thirty million dollars in the aggregate.

But let us provide for statuary in profusion about the public parks and along the boulevards, and for other improvements until we had expended a total of a thousand million dollars. And suppose every dollar of this money over and above what would be expended in the maintenance of the population remained in such a single city. Notwithstanding this, a very limited volume of money might be in active circulation. The great bulk would find its way into the government savings bank; but with no speculation in stocks or provisions, no private commercialism, and no corporation ownership of public franchises, no individual could, in the nature of things, have an extraordinarily large bank account. Men would perform useful labor, as they do now, to earn a livelihood, and individuals would still retain as their private property all that they could by industry and thrift accumulate. But under collective control of industry it would become impossible for individuals to amass inordinate wealth, and the comforts of life would, as they in all sense and reason should, be more evenly distributed than at the present time.

SOCIETY.—XXIII.

MONEY—RAILWAYS—LABOR.

We have depicted an industrial center founded by government as it would appear when well matured. We will now return to its first stage as simply a series of plants for the production of various commodities. We mentioned off-handedly in our illustration that sixteen such plants might be located in such a city.

They should not be located within its boundaries any more than one would place his kitchen stove in his drawing room. "But," some will say, "cities in the past have been built around manufacturing plants." Yes, and western pioneers have in the past thrown parlor, sitting room, kitchen and bedroom all into one, and that not overly capacious. That is no reason men should still continue to live cramped, unsightly and uncomfortable.

But men will harp upon what has been in the past, instead of looking to the future. "We have always had bi-metallism therefore it will always stay with us." "We have gold mono-metallism now, therefore we will always have it." "We have planing mills and junk yards and rendering establishments in the heart of Chicago and other cities, therefore they will always be so located."

Such logic is positively fatiguing.

A modern city should not contain manufacturing industries of such proportions as to render it unsightly.

Suppose a dinner plate represented the area of a great metropolis, and sixteen silver dollars round about separated by short distances from the plate represented that many industrial centers; would not that be a better arrangement than if the industries were located within the boundaries of the city itself?

There is a deep purpose, and appropriateness in the arrangement of the solar system. We observe an existing reciprocity between the planets that revolve about the great luminary of day and the orb of light itself, and likewise there would exist a close reciprocal relation between such a metropolis and its industrial satellites.

The great Aristotle, who was a pupil of Plato, based his philosophy on the principle of experience, that is to say, the principle that all our thinking should be founded on the observation of facts.

Were we in search of a practical demonstration of the ease with which an industrial center may be established and successfully maintained, the town of Pullman with the manufacture of railway coaches as its main industry would furnish us with one of the many examples to be found the world over. And applying the philosophy of Aristotle in another direction, we observe how the men who create useful things by their labor, are oppressed and tyrannized over when such enterprises are carried on by either individuals or corporations. Apply that philosophy again, and we observe that the scrip which corporations so isolated issue to their employees finds complete redemption in commodities or any resource of the corporation when pre-

sented at the company store. Thus it would find redemption when turned back to the company for house rent, for medical attendance of the company physicians and surgeons, for illuminating gas supplied, for water service, and so on.

With the exceptions that government would compensate its employees in legal tender money instead of scrip, and could supply every want of the people instead of the few which corporations supply, the industrial organization of such concerns seems like a miniature of those which society would adopt on an extended scale. Instead of being employed by corporations, lawyers, doctors, and the working people would be employed directly by government, and it would redeem its paper obligations directly in either commodities or service without an intermediate exchange into any commodity whatsoever.

With one or more industrial centers for the manufacture of rails and railway equipment established, the construction of railways might be carried on without cessation.

An individual possessed of a great farm might obligate himself to pay his hands a fixed stipend and redeem that promise or obligation in the wealth the labor of his employees would create.

Similarly the nation would so direct the use of its collective currency as to cause it to create the resources for its redemption.

Thus money expended in the construction of a railway and telegraph system for the country would create in telegraph tolls and railway charges a mighty source of currency redemption.

Were the acquirement of a sufficient quantity of the gold commodity at its present artificial value a condition precedent to government carrying on such an abundance of public work, the vast wealth, which it would represent, and the incidental change for the better in social conditions generally would be impossible of attainment.

With a perfected currency in use we could readily abolish the slums and the haunts of vice of our cities, transform our bill-boarded and shabby-looking streets into attractive thoroughfares, erect magnificent structures for public use, provide ourselves with elegant homes, and gratify our sense of taste and of comfort by creating round about us an agreeable and pleasurable environment.

SOCIETY.—XXIV.

LAND—AGRICULTURE.

With such a currency in use we could accomplish all this and more. By means of it the nationalization of the soil from ocean to ocean, and from lakes to gulf, could be eventually brought about through condemnation and purchase.

But there would be no immediate necessity for a general change in land ownership. Government might, without disturbing existing land titles for years, put to collective use the lands of which the nation is still possessed.

This land, located mostly in the so-called arid regions of the west, needs only water introduced upon it to make it capable of bearing never failing crops.

Under collective control, great systems of irrigation would be constructed by government to prepare this fertile yet neglected portion of our domain, for cultivation.*

Then again, some of the states have vast tracts of

*Collective control of land is the only solution of the otherwise unsolvable question of water rights. While these lines are being penned, the newspapers make mention of the preparation of papers for a suit by Kansas farmers against the state of Colorado and its people for a diversion by the latter of the waters of the Arkansas river, for purposes of irrigation, to the detriment of Kansas agriculture.

unoccupied land under their control which they would no doubt willingly surrender up to the general government to be put to collective use.

With collective methods in agriculture and manufactures introduced, the state of Texas alone could easily maintain a population greater than that of the United States at the present time. The nationalization of agriculture the country over would be brought about by degrees.

Government might proceed in this regard just as a colossal syndicate would which determined upon controlling, say, the grain and cotton commodities.

This would be to purchase the entire cotton and wheat product of the country, which it would distribute to its mills and factories, receiving and storing the surplus in great elevators and warehouses which it might erect the country over.

In purchasing these staples government might fix a uniform price to be paid producers, say, one dollar a bushel for No. 1 wheat, and ten cents a pound for cotton delivered at elevator or storehouse, and on the whole establish an absolute monopoly of these products not alone in the interest of the farmers and planters, but of every citizen of the nation as well. Such a plan, however, must be considered merely as one of the many ways in which government might proceed while keeping in view the ultimate aim, which is the collective control of industry.

But, by the time that the lands still collectively owned by the people were brought under cultivation, the advantages of common ownership of the soil would become so evident that there would be but few unwilling to dispose of their holdings.

Such would be reluctant to part with their landed possessions merely through sentiment, because the retention of their lands would only entail a burden upon them of which others would be relieved.

We are only transients upon the earth, and claim ownership of the soil merely to secure a fairly comfortable existence. If we were assured that, it would make little difference whether we owned the soil or not.

How many of our farmers would refuse a position at a fair salary to superintend an experimental agricultural station established by government? Were it tendered them few indeed would decline to accept such an offer.

Under collective control of industry those engaged in the department of agriculture would, like the workers in other departments, be employees of government, and inasmuch as their wage compensation would enable them to enjoy the comforts of life on an equality with other wage earners, the object sought to be compassed through land ownership would be otherwise attained.

SOCIETY.—XXV.

LAND—AGRICULTURE—MONEY.

In a consideration of territory that might and ought to be put to collective use we must not overlook that great body of land, lying partially within the arctic circle, which the nation acquired by purchase from Russia, and which still remains unsubdivided and intact, a common collective resource of the nation.

Including its outlying islands this vast territory is nearly equal in area to all the United States from the Atlantic ocean to the Mississippi river, and from the St. Lawrence to the Gulf of Mexico.

Notwithstanding the supposedly rigorous climate of Alaska, the tillable lands of the great Yukon valley are capable of producing fruits, grains, and vegetables in profusion during the short hot summer in which the sun shines for about twenty hours every day.

These vast areas are naturally adapted to cultivation on a large scale, and present an opportunity for collective agricultural production of which we should, at an early day, take advantage.*

*A writer in the San Francisco Morning Press speaking of the Yukon Valley says: "A very large portion of it is similar to the Red River Valley of Minnesota in formation and in soil. Where the river makes its exit from the mountains are immense level tracts of deep, rich soil which are only slightly broken at long intervals. So level, indeed,

No man can lawfully claim any portion of the soil of Alaska, and no individual should ever be permitted to absolutely own a single foot of the land within its borders.

With such an aim in view the policy which congress ought to pursue as regards the temporary use and occupancy of land in the territory is clear.

It should compel those who have squatted upon the public domain to take leases, and pay a rental to government for the ground upon which they have erected their business houses and their homes.

With government retaining the ownership of land no speculative advantage could ever be derived by any individual through the natural increase or the gathering of population. Land then would, as it should, have no value except for whatever use it might be put by government.

It would be a comparatively easy matter to inaugurate collective control over industry and commerce in the territory of Alaska.

The very rapids which now tend to make the navigation of its rivers, in certain localities, dangerous, could, by means of their water powers, be made to generate electricity sufficient to operate the railway system that government might construct, turn the wheels of the factories, foundries, and mills which it might erect, and supply the light, the heat, and the means of local transportation in the cities which it might found.

By means of issues of improved collective curren-

are these flats that the eye can seldom detect any change in the surface on them, and a furrow 25 miles long might be turned in many places without a break.

cy previously estimated and appropriated, government might establish such manufacturing plants in the sea-board settlements as would be required in the upbuilding of these and other industrial centers, thereby providing a working base for the development of the country in general.

It might construct, say, a rolling mill, an iron foundry and machine shop, a planing mill and wood working plant, and a few auxiliary industries in each of the more important settlements along the coast, especially as the people collectively own every foot of the ground upon which they are located. Government might supply every convenience and accompaniment of civilization such as water works, gas and electric light plants, street tramways, court houses, town halls, lecture rooms, libraries, hospitals, schools, colleges, theatres, art galleries, museums, parks, and so forth. By not continuing the regulations of the past permitting private ownership of land, the people would no more be compelled to bond themselves and posterity to pay interest upon the cost of such public works, and in their helplessness take on the fetters of financial slavery.

Government could erect its own business structures, in which it might keep on sale such wares and merchandise as it produced, and commodities otherwise purchased in the open market, which it would supply at a profit to its employees and the public in general.*

It might erect a number of not very costly dwell-

* It would purchase these just as it now purchases supplies for the army and navy in times of either peace or war.

ings in these cities just as a combination of capitalists would do did they own the ground, to meet the demand for same which would be created by collective control of industry.

One or more milling or flouring plants would be an early requirement, as would also be a number of elevators or warehouses for the handling and storage of the grains and cereals which government would, before long, produce.

It must be clearly seen that the upbuilding of these and other cities of the nation, and the carrying on of industry by society as a whole through the use of an improved collective currency would give the people steady and dignified employment at a wage compensation which would enable them to procure and enjoy every obtainable comfort of life. Every once in a while there is a deficiency in the revenues of government, and whenever this occurs it is plain that every dollar additionally expended for a public building or other improvement would have, by so much, increased such deficiency. As it is, government undertakes but a minimum of public work in order to avoid a deficiency. When we limit our public work, as we now do, to the quantity of a single scarce commodity we are enabled to procure by and through which the cost of constructing that public work may be defrayed, it naturally follows that the labor power of the country which remains inactive when with an improved collective currency in use it might find continuous employment, is being needlessly if not wantonly wasted.

With the gold commodity continued in use as a monetary tool it would be difficult for the nation to

acquire its utilities or conveniences, and inexpedient for it to engage in either manufactures or agriculture at any time in the near future. Consequently a remodeling of our monetary system is the first reform to be accomplished.

SOCIETY.—XXVI.

OUR COLONIAL POSSESSIONS.

Since the foregoing was written, the Spanish-American war has crossed upon the stage of the world, and has passed into history.

Once again the cause of human rights has been advanced, and incidentally we have acquired new territory with millions of population to whom we will grant the same voice in government which we enjoy.

The masses in our newly acquired colonial possessions are poor and weak, and like the masses in all countries, their poverty and weakness has been taken advantage of by the cunning, the shrewd, and the strong.

Now that they have become citizens of our republic, they confidently expect that they will no more be subjected to the hard conditions under which they labored under Spanish rule.

Will their hopes and aspirations be realized, or will they awaken to a bitter disappointment?

We might under the stars and stripes introduce a new civilization that would be a real blessing into our newly acquired colonial possessions.

We might, particularly in the Philippines establish national workshops, factories and mills in charge of trained American artisans and mechanics in which the

native population might be instructed in modern manufactures, and thereby become a power for good. If we may transport an armed troop to garrison our new tropical possessions why may we not transport an industrial army into such territory for the uplifting of its helpless millions?

We can readily teach the young natives how to construct and operate railways, telegraph and telephone. Will we do it? After rescuing these people from the extortions of an office-holding horde, bearing the insignitia of royalty, ought we to turn them over to the tender mercies of commercial and industrial brigands for exploitation?

Imagine a strike of natives who would receive, say ten cents a day for their labor in a factory owned by capitalists.

Naturally there is lawlessness, and a detachment of the regular army appears upon the scene. The superintendent of the factory hobnobs with the colonel of the regiment for a while, who soon steps up and orders the mob to disperse, at the same time informing them that the corporation has the law on its side. The native women, pale, ragged, half-starved and in their desperation unmindful of the danger which threatens those they love, make an appeal to the soldiery.

Will you men from the ranks of the working people shoot down without provocation our husbands, fathers and brothers who are merely asking for a living wage?

But the provocation soon comes. Some one throws a stone which strikes down a soldier and the order is given to fire.

Are all those peaceably inclined responsible for the

lawless act of some one individual? Whether they are or not they are invariably held so in cases of this kind.

This is a danger which threatens every gathering of the working people who seek a redress of their grievances otherwise than at the ballot box.

It is a matter of self-preservation for the soldiers, and a volley of death is meted out indiscriminately to human beings who believe that the strike is the only way in which they can better their condition.

It is horrible, even in imagination, yet we would only have transplanted to the Philippines our existing American industrial methods.

Thousands of miles away from where the wives, mothers, sisters and sweethearts of those slain are sobbing over their dead, the Associated Press, the mouth-piece of plutocracy has sent out a highly colored account of the affair, winding up with the interview of some martial martinet who alludes to the desperate character of the Filipinos, and suggests that, in view of the troubled industrial situation existing in the archipeligo, the permanent garrison of Manila be at least doubled.

The poor, weak yet fairly intelligent natives of the Philippines as well as those of our other colonial possessions may yet learn if commercial interests succeed, as it seems they will, in shaping the destiny of those far away territories, that corporations will compel them to accept the measure of civilization which they will prescribe if they have to kill off the population in droves to maintain their control over industry.

SOCIETY.—XXVII.

AN EVOLUTIONARY ADVANCE.

With the annexation of Hawaii we have incorporated as part of the collective institutions which we control, the postal savings bank of Honolulu. Every progressive nation of earth, our own excepted, has for two or more decades maintained a system of postal savings banks in which the moneys of the people have found absolute security, and the fact that with such an example before us we have for so long put up with the bank failures that have been continually occurring whilst an endless train of misery, ruin and suicide has followed in their wake, has been a disparagement upon the fair name and fame of the republic.

But we had annexed Hawaii, and the postal savings bank at its capital had become an American institution.

What to do with it became the question for the administration to answer.

If former policies had been adhered to, it would have been abolished without ceremony, and its two millions of deposits consigned to the tender care of the banking fraternity.

Such a course would, however, have appeared unseemly in view of the fact that over a million voters had, in 1892, cast a ballot favoring the establishment of a postal savings bank system.

Besides this, in so doing we would have been taking a step backward in abolishing a collective institution where other governments had for so many years made the care of the peoples' savings a government function.

John Brown brought the anti-slavery agitation to a crisis. When the hour has come in time something out of the ordinary happens which brings on a decided evolutionary advance, and in our time that something has been the war with Spain. By how much the acquisition of the government bank of Honolulu influenced the decision of the administration we do not know; but we do know that shortly thereafter an order went out from the postmaster general with the sanction of the president which virtually established a postal savings bank system throughout the United States and its possessions. If we reflect upon its meaning and possibilities we find this to be one of the most important steps in the direction of society's control over its internal affairs ever undertaken by our government, and once again illustrates the steady course of the evolutionary drift toward collective control of industry in general.

In the month of September, 1898, an individual might have remarked to another:

"These debates as to whether or not government ought to engage in banking are simply a waste of time and effort. We have in the country a thousand savings institutions, and they are amply capable of caring for the people's savings. And it will never be otherwise. Not in a thousand years will government go in to the banking business."

In the month of October, of the same year, he would

have discovered that beside these one thousand savings institutions carried on by private enterprise, upwards of thirty-five thousand government savings banks had sprung into existence.

Under the new regulations by which every money order postoffice in the land becomes a government savings bank the treasury of the United States will become the great central depository of the system.

This is as it should be, and this central depository and its branches ought to be made the sole repositories of public moneys.

Administration officials have in recent years kept public funds aggregating as much as fifty million dollars on deposit in various banks of the country. These moneys of the people, consisting for the most part of treasury paper, form a convenient means by which the bankers having them on deposit raid the gold reserve, the status of affairs being a great deal like a man who furnishes the club with which he is knocked down and robbed.

Not a dollar of public money ought to be placed on deposit in private hands.

Now that a great chain of government savings banks has been established, it will become possible for the nation to protect the currency which it will no doubt before long adopt, from the attack of any and all antagonistic elements. A treasury note consisting of the public credit in circulation will then be received on deposit at its full face value, and the public treasury will no longer be utilized as a storehouse for gold, silver or other commodities.

When the vast sum, which in the aggregate the peo-

ple leave on deposit in corporate savings banks and other financial concerns shall, as it eventually will, find its way into government banks, the public credit will not alone be immeasurably strengthened, but such funds would at the same time be at the disposal of government to be utilized in various ways for the public good. As it is, it piles up in bank vaults at the very time a general depression exists in the land, and not even the banks can find for it profitable investment or a way of putting it into circulation.

According to statistics there is over four billion dollars on deposit in the so-called national banks and the savings banks of the country.

What an amount of public work might be undertaken by government with this money had it access to its use as it would were it deposited in the great central bank of a postal savings system!

Nor would the amount on deposit be much if any depleted through its use in such manner, because as it would be paid out to mechanics, artisans, professional men, and laborers on government work, it would be re-deposited with government by those who would so receive it, for safe keeping.

One need not be profoundly wise to discern that, a governmental policy under which public work virtually comes to a standstill while the life blood of the nation congeals in bank vaults is perfectly idiotic and suicidal.

SOCIETY.—XXVIII.

AN OPPORTUNITY FOR FURTHER PROGRESS.

Another institution which has come into our possession through the acquisition of territory formerly controlled by Spain is the government telegraph of Porto Rico.

In its construction the Spanish government but followed the example of more progressive nations which the world over are making the transmission of intelligence by wire a government function.

In fact, of all the governments of earth the only countries beside the United States in which private or company telegraphic systems exist are Bolivia, Cyprus, and the Honduras republic.

Sixty-eight nations, including all the governments of the earth. great and small, except those mentioned, own and control the telegraph which serves them, and in view of that fact would it not be a remarkable circumstance if we, the greatest nation of earth, should make no effort to supply ourselves with a government telegraph until after each of these three weak puny little nations shall have taken such a step, so that we would be the very last of nations to throw off the yoke of the telegraph monopoly to which we now tamely submit?

Oh, the shame, disgrace and humiliation that is conveyed in the very thought!

The telegraph was originally (1844-47) a part of the postal system. It was owned by the nation, and its surrender into private control was earnestly opposed by Henry Clay, the great whig leader, and by Cave Johnson the democratic postmaster general, at that time. But the capitalists who conspired to secure it for their private gain succeeded in so doing, and it passed out of national ownership and control. The construction of a government telegraph, even though paid for in gold, has been urged by statesmen for years.

In a speech on the floor of the senate January 20, 1883, Senator Edmunds said: "What the United States, in regard to its postal affairs and the welfare of the people, needs more than anything else, is the construction of a postal telegraph beginning moderately between great points in the country and all intermediate points, and then extending it just as we have the mail system as the needs of the community and fair economy would require until every postoffice should have, or be within the reach of, a postal telegraph.

"But I beg the stock operators in New York not to suppose that I, for one, am in favor of the United States buying out any telegraph company anywhere. I am in favor of the United States building its own postal telegraph and managing it in its own way, and leaving the gentlemen who are engaged in private pursuits to pursue their operations in their own way as private pursuits."

Senator John Sherman, of Ohio, in a speech on the senate floor, stated his views on this subject in the following language: "I should rather also, in this connection, consider one other subject of infinitely greater

importance than even this proposition (to reduce postage), and that is, whether the time has not arrived in this country when the government should assume to convey intelligence by electricity, not the management of the present telegraph lines, but when we should transmit through our postoffices and our post roads, communications by electricity, by wires constructed by the government itself.

“The government of the United States might duplicate all the wires and all the means of transportation by electricity for about \$20,000,000 or \$25,000,000.

“If therefore we wish to do an actual good to our people, if we wish to confer upon them an enormous benefit, we should assume that which we have a right to assume as a part of the postal service of the country, the transmission of intelligence by electricity.”

Other expressions by statesmen, of a similar tenor, might be quoted, but the desirability of a government telegraph as part of the postal service is so evident as to make their use superfluous.

One great reason why the telegraph service should be made a public function is found in the censorship which a private corporation exercises over the matter sent over its wires, especially where the perpetuation of its control of this branch of the public service is involved.

Imagine Abraham Lincoln as living to-day, and urging upon a great concourse of the common people the importance of the construction of a government telegraph. Were he to show how the nation could construct its own telegraph system through government

currency redeemable in telegraph tolls, would the Associated Press send out a report of that speech?

If it quoted any portion of his remarks at all, it would be some quaint story or anecdote told to put his audience in good humor, or other unimportant passages, but reference to such portions as it thought imperiled its sinecure would certainly be suppressed.

And in this manner the arguments for government currency, and for public control of public utilities, many of them gems of oratory and all of them irrefutable, are being daily and hourly either suppressed or garbled so as to become unintelligible. Banking interests, railroad interests and the trusts and combines of the country have bagged the people, and the telegraph monopoly with a thread of wire has sewn up the sack.

It was this that the martyred Lincoln foresaw when he remarked in 1864:

“Yes, we may all congratulate ourselves that this cruel war is nearing its close. It has cost a vast amount of treasure and blood. The best blood of the flower of American youth has been freely offered upon our country’s altar that the nation might live. It has been indeed a trying hour for the republic; but I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country.

“As a result of the war corporations have been enthroned, and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in its hands, and the republic is destroyed. I feel at this moment more anxiety for the safety of my country

than ever before, even in the midst of war. God grant that my suspicions may prove groundless."

How prophetic those words! But the republic will not be destroyed. It is the reign of the money power which must cease. And the telegraph monopoly which can make the press dispatches deny the existence of an overwhelming sentiment in favor of a government telegraph and other collective conveniences, is the first of the corporations that have been enthroned which must be deprived of its power.

What disposition will eventually be made of the system of telegraph we have acquired in Porto Rico can only be conjectured at the present time. The telegraph lobby will of course urge that the government dispose of it to the highest bidder at public sale. This would mean its acquisition by the telegraph monopoly.

We cannot consistently begin to carry out our avowed purpose of bringing a betterment of social conditions to the people of Porto Rico by disrupting a government institution in which they take a natural pride and turning it over to a private monopoly.

And the same holds true as regards the government telegraph and railways of Cuba.

The administration has made a good beginning by giving the country a system of postal savings banks in spite of the opposition of the money power.

It should continue on by retaining and gradually extending the collective institutions we find already established in our newly acquired possessions.

SOCIETY.—XXIX.

PROBABILITIES OF THE FUTURE.

The wheels of progress seem, just at this particular time, to be accelerating in the speed of their revolutions. During the progress of the Santiago campaign, we were informed of the intention of the government to construct a military telegraph along the eastern coast of Cuba.

Since then, various points of more or less importance have been connected by wire. A dispatch sent out from Washington under date of October 12, 1898, informs us that the secretary of war will recommend to congress that the existing railway system in Cuba be extended so as to form a line running directly from Cape Maysi, at the east end of the island, to Cape Antonio, on the western extremity. The dispatch further states that he will recommend that this work be undertaken by the United States government, and that congress appropriate the necessary funds.

The dispatch continues: "The road is a military necessity, and moreover its construction will give work to many of the unemployed native laborers. As the road progresses, sections of the country will be opened up that are now inaccessible to trade."

Government ownership is coming. A government stretch of railway must of course be operated by a

government telegraph. And so the powers of government, in accordance with the natural drift, will be continually extended.

Benjamin Franklin said that "the wisest measures are seldom adopted through previous wisdom but are forced by the occasion."

The railways and telegraph of most European countries were acquired as a military necessity, and it seems that the start of government railway and telegraph construction, to extend the systems we have already acquired in our tropical possessions will be made on a similar claim.

Judging from the tenor of the dispatch quoted, the railway and telegraph systems we have acquired will be retained, and, perhaps before these lines are scanned by the eye of the reader, conductors in government uniform will be collecting fares on a railway owned by the American people, Cuban, Porto Rican, Hawaiian and Filippino Americans being included.

Such a railway in Cuba, may, shortly after its transfer to our government, be operated by United States railway train crews, and the men in the machine and repair shops, the section men, train dispatchers, the men who handle freight and baggage and necessary clerks, accountants and officials be in society employ.

Once advanced to this stage, would we let contracts for the construction of locomotives and cars to private manufacturing concerns? We might for awhile, but we may rest assured that we would not do so much longer than it would take for government plants for the manufacture of rolling stock to be established. And

plants for the manufacture of rails and telegraph wire would soon follow.

Of course it is desirable that the English tongue shall become the predominating language in Cuba, as well as in our other colonial possessions. Public schools and colleges will therefore, in all probability, be established immediately under government auspices.

There is an element of the population, in Cuba particularly, which on account of lack of opportunity to gain a livelihood under Spanish rule, has become completely demoralized and irredeemably addicted to the drink habit.

As a police regulation, government will therefore no doubt place the traffic in intoxicants under national control.

Government has appointed civic officials, magistrates and judges, both Spanish and American, throughout Cuba and her sister colonies. They should be succeeded by government civic officials, magistrates and judges elected by the people.

In the cities and at stations along its railway lines government would, of course, establish eating houses to accommodate the traveling public. These should be on a scale extensive enough to accommodate the resident public, a not inconsiderable percentage of whom would be in government employ, as well. Connected with these public restaurants might be hotel rooms like those in depot hotels at the present time.

To keep its engines supplied with good fuel, government would open up coal deposits along the extensions of its railway system, and it is reasonably certain that it would before long open up iron deposits to sup-

ply its blast furnaces, and stone quarries to supply material for its public buildings. One or more bridge building plants, glass factories, wood working plants beside other constructive departments would soon become a necessity in connection with government production of railway equipment, and in this way collective production will be locally extended as rapidly as warranted by prevailing conditions and circumstances. Of course we will introduce our government savings bank system into Cuba, as well as our other colonies and money-order departments of the postal service, will receive on deposit any form of currency our government may deem fitting and proper to adopt.

And some day we may put into circulation a limited volume of government currency redeemable in the service of this Cuban American railway and telegraph or other resources of the nation at the pleasure of government. And when we ascertain by experience that such money is a good thing; that it will carry on public work in Cuba as well as gold, we will have taken a step that, followed up, will not alone bring prosperity to our people but to mankind the world over as well.

CHAPTER VI.

"The grandeur of this civilization has won my admiration from the beginning," said Rodney Holcomb at a home gathering in the drawing room of the Burtons a few days after the arrival of Arthur and the immediate members of his household, "and had I not read your treatise on 'Society' I could never have conjectured how it was ever approached."

"But you readily perceive how it was possible to bring these changes about through the use of government currency," remarked his son, a tall, dark-haired, well-built personage in the very prime of life, a smile meanwhile playing upon his open, straightforward countenance; "with gold as the money of the world they could never have been accomplished."

Just before the conversation had taken this turn, the wives of Silas Burton and Arthur Holcomb had been discussing the woman phase of the old social order, and had agreed that the raising of charity funds was the main public work allotted to the women of that day.

From her youthful appearance, one would not have taken Gertrude Holcomb to be the mother of four thriving children of whom Clarence, a fine strapping young fellow of nineteen years was the firstborn.

At the moment he found congenial companionship in Edna Burton, with whom, in a spacious al-

cove, containing cabinets of the coins of the competitive era and other curios recessed between wide spreading plants of native growth, he was discussing the flora and fauna of the country.

The younger offshoots of both families were rolling hoops and spinning tops in the open.

"It seemed as if the new order was a spontaneous development in several countries," remarked Silas Burton, who had made a close study of the changes which time had wrought, "but I think that after all, the American people are entitled to as much credit as those of any other country for speeding along the movement for collective control of industry."

"I presume our people acted on your suggestions, Arthur," remarked the elder Holcomb, proudly.

"No, not mine," replied the son. The greater part of what I wrote was well known to thousands, if not millions."

"Nevertheless," remarked Mrs. Burton, "you pointed out the only way to nationalize industry through the use of government currency."

Arthur smiled. "I remember a quotation from Heine," he remarked, "in which he says that 'We do not take possession of our ideas but are possessed by them. They master us and force us into the arena, where like gladiators we must fight for them.' But after all," he continued, "progressive ideas in mechanics, invention, or the science of government are merely material plucked from the common store of accumulated knowledge. They are all based upon something which already has an existence.

"Very true," remarked the elder Holcomb, "but

how did you educate the people up to the new ideas? A great percentage of them were always densely ignorant and difficult to reach through pamphlets, magazines, newspapers and the like."

"We voted the people," Arthur replied, "nor did we wait for election day to roll around in order to do so. At great picnics gotten up for the occasion; at the meeting place of every trade or labor union in the land, and at centrally located polling places in every city, town, and village we had ballots taken on such questions as "Shall we construct a government system of telegraph to be paid for in currency redeemable in telegraph tolls or other available resource of the nation, at the pleasure of government?" "Shall money be issued exclusively by the nation?" "Shall we construct three hundred or more public buildings with government currency or with postal savings funds as they become available?" We advertised the particular question to be voted upon and the location of the polling place, and to avoid any misunderstanding in regard to the result of the vote, we arranged to have representatives of different political parties receive and count the ballots. We announced the results of the vote in the newspapers, at the same time mentioning when the next vote would be taken, the question to be voted upon and the location of the polls. In the states where women were denied an equal voice with men in public affairs we voted the feminine element of the population separately on the questions which we submitted. At first the people did not seem to take much interest in the balloting, but we persisted in our course, submitting the same questions again and again.

"We finally succeeded in awakening public interest,

and when the people saw that the vote, whether great or small, was overwhelmingly in the affirmative—that the majority readily saw what was best for their interest—a genuine voting craze developed which steadily augmented with a force as irresistible as the avalanche.

“The women in particular were quick to perceive that the proposed measures would be greatly to the advantage of their husbands, fathers, sons, brothers and themselves as well. They had been asking one another the question, If millions of men anxious to earn an honest living cannot now find employment, what are all these boys going to do when they grow up? And not until the plan of collective control of industry under which every willing hand would find employment was submitted to them, could the question be satisfactorily answered. In accordance with their convictions as to what was for the best they did all in their power to influence public sentiment in favor of the proposed measures, and incidentally, through the eager desire of the women to have their views upon the questions in which they were so vitally interested receive recognition, the movement for woman suffrage was given a wonderful impetus.”

“You remember, grandpa,” Gertrude Holcomb here interposed, “in your time women could vote at general elections in only four states, Wyoming, Colorado, Utah and Idaho. They are now permitted to voice their opinions on public affairs everywhere, and the world is the better for it.”

“It must be!” exclaimed the elder Holcomb enthusiastically. “But go on, Arthur, go on. This is all very interesting.”

CHAPTER VII.

"The next national convention of the Democratic party," continued the author-statesman, "adopted a platform tending strongly in the direction of collective control of industry. But the sentiment of the country favoring such a policy was by that time well known, and that the measures proposed would carry the country seemed a certainty. One of these measures was a demand for the demonetization of gold. The Republican party admitted in turn that gold monometallism was an evil thing for the country, but it took the position that we could not successfully demonetize gold alone, and that this could only be brought about through an international agreement. Prominent newspapers of the land denounced in unstinted terms what they designated as the socialistic platform of the Democratic party, but they produced no argument tending to prove that the proposed measures were not a good thing for the country.

"The money power rested upon the hope that the people might be deluded into retaining gold as money until dispensed with by international agreement, while the corporations of the country made a desperate endeavor to retain control of industry. An enormous campaign fund was raised by the interests opposed to the people, and every preparation made to throttle democracy and perpetuate the reign of plutocracy on Am-

erican soil. But before election day rolled around something entirely unexpected happened. Of a sudden the czar of Russia determined upon demonetizing gold without the consent or interference of any nation on earth, and issued a royal ukase or decree to that effect. This put a different aspect upon affairs. The fact that Russia had demonetized gold single handed demonstrated that gold could just as easily be demonetized by so powerful a nation as our own, and as a result of the election the Democratic party went into power with full control of the house and senate. Gold was demonetized, the national banking act repealed, the construction of a government telegraph begun, and elaborate public work started in a number of localities. Included in this were national factories, foundries and workshops, and a great irrigating canal to bring water upon a considerable tract of public land which was then brought under collective cultivation. Through the use of government money what were once arid desert lands became transformed into garden spots and fertile fields. The entire country is now operated as one great national farm, and the world over, beside carrying on an orderly system of production and distribution, men are engaged in the upbuilding of splendid cities thus creating about themselves a beautiful environment."

"But how did the demonetization of gold by Russia and the United States affect other countries?" asked the elder Holcomb.

"It created consternation in financial circles," the son replied, "but nevertheless the price of gold did not immediately fall. The people of the two countries which had adopted government currency were at a decided advantage over those which operated under a

metallic-based monetary system. Each of these two nations immediately started upon the construction of an armor-clad fleet, ostensibly for purposes of a merchant marine, but which could be readily converted into a fleet of warships in an emergency. This could not be done by nations which still retained a gold currency. These saw no way of liquidating the principal and interest of their gold indebtedness, while the problem was effectually solved by the two nations which had adopted a paper government currency. They exchanged legal tender currency at a parity for non-legal tender gold coin, and government currency purchased such additional quantities of the gold commodity as could be obtained. Then again, as wealth accumulated in the hands of a few in a conservative nation it sapped its vitality, and the nation grew weaker, while under governments where every citizen became interested in the institutions which yielded him a livelihood, and the margin or profit on the necessities of life became social capital, the nation invariably grew in wealth and strength and power.

“Within a year after Russia had taken the initiative in currency reform the Emperor of Germany was deposed, and the social democracy which before the close of the last century had won over to its cause more than a third of the population of that country acceded to power.

“Revolution followed revolution throughout Europe, and in every instance the monarchy was transformed into an industrial republic. Singularly enough the czar refused his aid to suppress the social revolt in other countries. He frankly acknowledged that government by the people was the only true theory of govern-

ment, and announced that while he survived he would use his power for the best interest of his people without regard to the succession. And to-day, the last of the sovereigns of Europe to remain in power, he is carrying out the policy which he outlined for himself at the beginning. He has founded great cities through the use of government currency, has given his people remunerative employment, and has proven himself in every way a wise and noble ruler. Many years ago the nihilist organizations of his country publicly disbanded, and though still living, a statue of him occupies a conspicuous position in every European capital. Every industrial democracy proved a success from the beginning, and government currency proved itself the magic wand which dispelled the world-wide misery of the proletariat and brought happiness and contentment in its stead. Conservative England was the last of modern governments to succumb to the inevitable trend of evolution.

“As nation after nation demonetized gold and adopted government currency liquidation of the world’s indebtedness began. A veritable stream of gold poured into the strong boxes and money vaults of London. It came in the minted coin of every nation of earth, and in the form of bars and bricks and ingots of gold with their weight and fineness stamped upon them by the various governments. The financial center of the world was fairly deluged with the yellow metal. As fast as received it had been credited up at its old time mint valuation. But it could neither be invested nor loaned out at interest in any foreign country. What to do with it became the great problem. The home market for money was broken down. Individuals of means did not want to borrow, and those who would have borrowed

could give no security. While every other nation was prosperous the general depression and industrial stagnation throughout Great Britain was rapidly becoming unbearable. Had the nations liquidated their indebtedness in food products the hungry populace might have seized upon these and prevented the starvation of thousands. But the liquidating nations insisted upon carrying out the letter of their contracts, and the people could not eat gold. And all of the golden stream which still kept pouring in belonged to individuals, not to government. The people at great mass meetings finally demanded the demonetization of gold. No alternative was left government but to comply, and the starting up of a number of collective enterprises brought relief to the masses. As a result of its complete demonetization the artificial value of gold rapidly declined, so that before long it was offered at a third of its former monetary valuation.

“When the indebtedness of the nations had been paid off, an international conference of the representatives of the various governments fixed the valuation at which gold of standard fineness might be exchanged the world over, at ten dollars per ounce troy; of silver one dollar per ounce troy; of wheat of standard grade, two dollars per hundred pounds; of number one corn, one dollar per hundred pounds, and of standard cotton, ten cents a pound. It was further understood that the selling price of other commodities would be fixed by the respective governments, and that the compensation of all employes in public service should be fixed at three dollars for a day’s work not exceeding eight hours.

Since that conference others have been held, with the result that the wage compensation in every depart-

ment of the public service has been fixed at five dollars per day, and the exchange value of commodities in general has been fully established.”

CHAPTER VIII.

In an adjoining apartment clustered about the sitting room table were gathered the youngsters of the Holcomb and Burton families.

Since an hour or more they had tired of out-door play, and Eddie Holcomb a bright lad of fourteen had just concluded reading to his attentive juvenile audience an account of the independence day parade in Des Moines, Iowa, the home of the Holcombs, as given in a newspaper received from there in that day's mail.

"Was'nt it lovely!" exclaimed little Elsie Burton when Eddie, having finished reading detailed descriptions of the many tableaux which appeared in the turnout, laid the paper aside.

"What was so lovely?" asked the elder Holcomb smiling, thinking to have a time with the children.

The chat in the drawing room had broken up, and he had entered the sitting room in time to hear Elsie's remark. In a moment Arthur, Mr. Burton, and the ladies also put in an appearance.

"I have just been reading the account of the fourth of July parade in our home town, grandpa," spoke up Eddie Holcomb.

"And it had be-aautiful floats and ev-erything in it," added Elsie with a childish drawl.

"The children seem to have been interested in the pageant," remarked Arthur Holcomb picking up the

paper, "but let me read you an extract from the editorial comment upon it," and when the grown people had seated themselves in the chairs the children had vacated to gather about a structure of blocks one youngster possessed of more than ordinary architectural genius was erecting upon the floor, he began:

"What changes in social conditions that have occurred in less than a quarter of a century are suggested by that turn-out, composed in greater part of labor organizations every member of which is an employee of government! When we reflect upon how orderly every department of industry is now carried on; how little of friction occurs, and how much of good feeling on the whole prevails, it is difficult to realize that it ever was otherwise. Yet the files of the press of those days reveal an industrial status that to us seems positively appalling. Glancing through these files we ran across an account of a strike of the building trades at St. Louis, of the stereotypers in Chicago, of the packing house employees at Omaha, of the street car men in Milwaukee, of the wire makers at Cleveland, of the garment workers in New York, and of the coal miners in Ohio and Illinois all within a comparatively short period of time.

"So it went on continually, now a lock-out here and a walk-out there, and from all the evidence at hand, we glean that throughout the duration of these labor disturbances the capitalists never missed a meal, while the men who went out starved.

"Looking backward we find that the moneyed class strenuously opposed the introduction of the prevailing industrial system. Nor did they present any solution of the capital and labor problem for the good reason

that, being possessed of the capital, the conditions as they then existed were largely in their favor.

“But in this statement we are not entirely correct. There is in existence indubitable evidence that they did offer a solution of the industrial problem.

“Through the prominent newspapers of that time they intimated that the way for the working people to better their condition was to turn the issue of the currency over to the capitalists of the country! It was well for the masses that they did not remain blinded to the importance of an exclusive government currency, else the bread and butter problem would for them have still remained unsolved.”



CHAPTER IX.

After a month's sojourn in the tropics, Arthur Holcomb and his family accompanied by grandpa Holcomb, embarked on the palatial ocean liner "Columbia" of the American maritime service, for their native land.

From the deck of the splendid armorclad vessel, with the stars and stripes floating proudly from the mast-head above them, the Holcombs waved their last adieus to the little group upon the pier who stood waving handkerchiefs in return until the hull of the great steamer stood well out upon the horizon, and no object on board except two black funnels belching forth smoke could be distinguished.

But not all of the Holcomb family had embarked for their native heath.

Among the little group upon the pier stood Clarence who at his own request had been left behind, and who now accompanied the Burtons as they wended their way homeward.

For him the skies of the tropics seemed sunnier, the flowers brighter hued, and the earth in general more fair than in his native land; but then, there was Edna.

He entered the public service in the department of journalism where he laid the foundation of his later successes as a writer upon questions that still remained to be solved. But many a time, during his earlier newspaper work, did pleasing memories of recent strolls with

Edna along shaded lanes, and country outings of young people in which she was the central figure, come between him and his manuscript. On such occasions his immediate work would be deferred for a short pleasurable meditation, which not infrequently terminated in a long drawn fairly audible sigh.

And as for Edna, how blissful were the speeding days of love's young unclouded dream!

But his attentions to Edna did not prevent Clarence from steadily perfecting himself in newspaper work, in which he had determined from the start to become proficient.

However, time passed on, and one fine day about two years after his arrival upon the coast, there was a quiet but ever so happy wedding in the Burton home.

Clarence and Edna had started upon the voyage of life together.

ADDENDA.

Were free coinage of silver resumed in the United States at once, government would not own the money coined, nor could an additional dollar's worth of public work be undertaken on its account.

And even were an international agreement for the general remonetization of silver brought about, these relations of silver to government, like that of gold which bears a similar relation, would not be changed.

* * *

Had some of our modern politicians lived in the parish of St. Peter at the time the Guernsey market house was built they would have undoubtedly opposed its construction in some such resolution as this: We have no sympathy with the party which Governor De L' Isle Brock represents in its attempts at paper inflation and we predict that its declared intention to put its theories of fiatism and greenbackism into practice will prove disastrous to our people.—Governor De L' Isle Brock's currency proved a success. Government currency would carry on public work even more satisfactorily.

* * *

Were government to erect homes for the people it would not be the first to enter upon such an innovation. The municipal government of Glasgow, Scotland, has erected a number of dwellings which a portion of the population occupy at a rental charge. Besides being a landlord on a large scale the city owns and operates its tramway or street car system and other utilities of a public character.

How much does it take for an average family to live in comparative comfort?

Let us make an estimate of their main items of expenditure for a year.

House rent	\$120.00
Food for man	120.00
Food for wife	120.00
Food for two children	120.00
Raiment for man	120.00
Raiment for wife	120.00
Raiment for two children.....	120.00
Very scant incidentals.....	60.00
Total	\$900.00

Let the excesses if any of the items of raiment go to replace worn out furniture.

To meet these expenditures would require a wage of three dollars a day for three hundred working days.

The census of 1890 gives the average wage earned in the United States at a few cents over one dollar a day, and it follows that our people live in anything but material comfort. Under competitive industry men already wealthy gather in the comforts of the masses. Under collective production the readjustment of wages would enable the many to enjoy the bounties of nature.

* * *

We owe a billion dollars in interest bearing government indebtedness. In a little over thirty-three years at three per cent per annum we would pay on this debt a billion dollars in interest with nothing to show for it. Why not adopt perfected government currency and expend that billion dollars in public works?

* * *

AN OPEN LETTER TO THE PRESIDENT.

Hon. Wm. McKinley, President of the United States:

Respected Sir—Believing that as much as lies in your power you desire to advance the interests and promote the welfare of the American people, the undersigned with due respect for yourself and the high office to which you have been called, addresses to you these lines.

All good citizens realize with gratification that as Commander in Chief of the army and navy you have creditably discharged the duties of your position throughout the war with Spain just brought to a successful termination.

And that you have otherwise as Chief Magistrate of the nation served society to the best of your ability is evidenced by the clean untarnished record you have made.

Yet a builder might do excellent work in the construction of a habitation until half-way reared, and then by indifferent workmanship mar the beauty of the whole.

And there may be sins of omission as well as of commission.

From your expressions in regard thereto you are evidently aware that our monetary system is not what it should be, and, as do our people, you deplore the necessity of the issuance of interest bearing obligations of the nation to maintain the policies of government both in times of peace and war.

The manner in which the currency may be improved and bond issues avoided in the future has been suggested in the essays which precede this letter and they are respectfully submitted for your earnest and thoughtful consideration.

That the remedial measures suggested will meet the disfavor of banking interests is granted. But do the American people to-day disapprove or applaud the action of President Jackson in defying that same money power which ever since his day has partially succeeded in circumventing the nation?

With the object in view of relieving government of embarrassment on account of future possible raids upon the gold reserve you have recommended that treasury paper once redeemed in gold be not re-issued except in exchange for gold.

Such a regulation would unquestionably result in the retirement of the entire volume of treasury paper, and a well grounded fear exists that in such a contingency associated individuals will, under the national banking act, be accorded the privilege of supplying the shortage of money.

We may tear down a habitation unfit for use, but we ought to know in advance how we will arrange for another, and that a better, to take its place.

You are aware that every method of raising revenue to meet expenditures of government creates a source of currency redemption, and this is as true of the existing system as it would be under the most advanced system with only a collective paper currency in circulation.

There have been no raids upon the gold reserve during your administration, consequently, at least the

great bulk of the treasury paper in the hands of the government has found other than gold redemption.

Such being the case, the currency is evidently of a serviceable character, and ought not to be retired until finally superseded by a currency made by law redeemable, at the pleasure of the government, in any available resource of the nation.

Improved collective currency of such a nature should be issued to meet the lawful disbursements of government, included in which would be, as now, the cost of all public work. Were such currency adopted it would circulate side by side with treasury paper redeemable in gold on demand, and with gold coin itself.

No embarrassment of the treasury could ever occur on its account, and the chain of postal savings banks, which you sanctioned, would supply ample means for the protection of the public credit so put into circulation.

As it found its way into the treasury it would find redemption like the bulk of treasury paper now finds redemption, in resources other than gold, but as long as coined gold was available it might, under the policy which government would in all probability pursue, find redemption in gold.

There ought to be no doubt but what the gradual introduction of such currency would forever obviate the necessity of borrowing gold, either at home or abroad, at an interest charge.

The matter of a gold reserve, to redeem such currency as would be presented for redemption in gold, and the providing of a gold supply to meet the interest upon the public debt as it matures, are propositions

presenting no difficulties that can not be readily overcome.

Were all privately owned savings institutions abolished, as they should be, such currency as would be presented would be redeemed and the interest upon the public debt met with the gold deposited by the people in the postal savings banks of the country.

Instead of a hundred million gold reserve we would practically maintain a reserve many times that in amount.

Nor would there be need to interfere with the monetary status of gold for the time being.

It would even be an advantage to continue its monetary use as long as it remained on a parity with our other circulating mediums; but gradually displaced by perfected government currency the time would come when its demonetization would no more disturb our industrial relations than did the discontinuance of the free coinage of silver. The introduction of perfected government currency would, however, of itself cause gold manipulators to realize that if we could demonetize silver because of its plenteousness, thereby forcing its commercial value down below the monetary value assigned to it, we may equally as readily, should the occasion present itself, demonetize gold because of its scarcity and because of the fact that it was selling as a commodity at a premium.

Were you to recommend to congress the erection of a number of public buildings, or the construction of a telegraph system for the country, the cost of such public work to be defrayed with a currency consisting of the national credit, would not your action be enthusiastically endorsed by the entire population?

The amount of public work that might be thus undertaken would be limited only by our natural and mechanical resources, and would afford a legitimate channel through which the currency of an improved monetary system, to succeed the crude and complicated financial system now in use, might be put into circulation.

Why not enter upon the construction of an elaborate system of public works by means of a perfected government currency and solve both the financial and industrial problems at a single stroke?

Under competition, commercial banks are a necessity, therefore a revision of the national banking act to correct its imperfections becomes a proper subject for consideration when we look to reform of the currency.

No right-minded person will insist that we, as a nation, ought to loan bankers the capital with which they engage in business.

National bank currency, notwithstanding the inscriptions upon it and the signature of bank officials, is nothing more nor less in effect than treasury paper, and legislation should provide that national bank currency, like other treasury paper, should not be issued to bankers except in exchange for gold.

And why should not commercial bankers be compelled to deposit in the national treasury government bonds to cover unsecured deposits?

Those who engage in banking would be at no loss under such a regulation, as they would continue to draw interest upon the bonds so deposited.

On the whole, an opportunity to do vast good, such as rarely comes into the life of any man, lies before you.

Your recommendation to congress, urging the starting up of public work by means of government currency would go a long ways toward bringing about legislation which would bring joy and gladness into the hearts of millions who now despair.

In fact, the gradual introduction of a perfected government currency is a necessary step which must be taken before, through the co-operation of the people, our common society can be elevated to the plane of a higher civilization.

I most respectfully subscribe myself,

Sincerely yours,

Abraham Benjamin Franklin.

* * *

Competitive industry is chaotic in its nature. It breeds dishonesty, hate, tyranny, oppression, deception, fraud, misrepresentation, hypocrisy, embezzlement, robbery, murder, arson, greed, avarice, penuriousness, filth, disease and moral degradation.

* * *

When society controls its industrial affairs it will stand for order, system, justice, honesty, equity, truthfulness, straightforwardness, hope, sympathy, beauty, progress, comfort, leisure, health, and nobility of character in the individual.

* * *

There should be only one kind of money, one code of laws, one government, and one common soil affording an existence to every citizen of the republic.

LETTERS.

The letters that follow are imaginary. Yet they are not altogether unreal because they voice sentiments that actually have an existence in the minds and hearts and souls of thousands of the population.

In addition to these expressions favoring a better social order, how many personal appeals from those who, as Hamlin Garland says, "halt weary and hungry outside lighted windows and hear laughter and song within," might be imagined as being made by the disinherited!

FROM AN EMPLOYEE OF THE MAIL SERVICE.

Employees of the nation participate in government both politically and industrially. As units of the collectivity they have a voice in determining the hours of their work and the compensation they shall receive for their labor.

Those in the employ of individuals and corporations have virtually no say in that regard.

We are the advance body of the great industrial army to follow as soon as the working people become sufficiently enlightened to vote themselves, through money reform, into government employ.

FROM A LADY SCHOOL TEACHER.

Being engaged in a pursuit carried on by the people collectively I can perceive that such work is more dignified than at least the greater part of the labor per-

formed for individuals and corporations under private enterprise.

The extension of collective control over every department of industry would effectually solve the capital and labor problem for all the world.

FROM A MERCHANT.

To succeed under competitive business methods means, to wreck and ruin the lives of others, and the greater the success the more individuals have been sacrificed in the struggle for commercial supremacy.

Men would not be virtually compelled to inflict injury on others in order to obtain a comfortable existence in a co-operative commonwealth.

FROM A LAWYER.

To lay the country off into squares, like a check board, and set up a different set of laws for each square is a social arrangement which can not be long continued by an enlightened nation.

We so provide that the people of certain sections of country bounded by imaginary lines frame each their own code of laws as if they were separate nations, and not citizens of a common country.

A child, aware that our government extends throughout our territory, would declare without hesitation that laws should be uniform in all parts of the country.

When we enact social regulations for all the people, we shall be enabled to dispense entirely with separate state governments.

FROM A PHYSICIAN.

Medical practitioners know that a large percentage of working people do not receive a wage upon which

they can subsist in any degree of comfort, and few can lay by anything to meet the exigencies of sickness or accident. To live at all they are virtually compelled to accept any work offered without regard to compensation. And this is what those who produce the wealth of the world have come to under competitive methods of carrying on industry! As sensible beings let us discard this abominable system and have the co-operative commonwealth instead.

An improved collective paper currency will bring it.

* * *

In view of the existing status of things which of the various political organizations ought to receive the support of well meaning public spirited citizens?

From events that have already transpired there remains no doubt but that the machinery of the Republican party has been selected for the promotion of the interests of capitalism.

Within its organization banking interests, railroad interests, and corporation interests in general, inimical to the welfare of society as a whole, have found lodgment; for that reason it should be shunned by every true lover of his country who favors the establishment of progressive institutions.

The Democratic party as a consequence should logically become the true vehicle of reform but if those who control its destinies should persist in going back to a period ante-dating the printing press for a monetary system—to the barter and exchange of commodities even though they be stamped as money—it can never accede to power.

As a party of the common people it should urge the adoption of government currency and specify a definite

amount of public work to be inaugurated through its use.

With such a platform, omitting all other issues, the entire population would flock about its standard, and it would unquestionably carry the country.

But until such a declaration of principle has been adopted by the party of Jefferson and Jackson it should receive no support from citizens who favor a progressive policy.

In such a case let these affiliate with the newly organized Social Democracy which advocates collective control of industry.

In the meantime those who have become convinced of the direction in which true reform lies may enter the councils of the old party of Democracy and by influencing its course cause it to stand for progress and human rights.

* * *

A call is hereby made for a succession of ballots under the auspices of the labor organizations of the country upon the following question: Shall the government enter upon the construction of a telegraph system for the country and erect a substantial, commodious postoffice building in every city and town where no such publicly owned building now exists, the cost of such public work to be defrayed by and through the issue of government currency specifically appropriated, such currency to be made redeemable at the pleasure of government in any available resource of the nation?

Ballots shall contain the words "Yes" and "No" in separate lines or spaces underneath the question to be voted on and a cross mark in a square opposite one of these words shall indicate the judgment of the voter upon the question submitted.

Any labor organization may fix the time and place of the taking of a ballot which shall be cast at its expense, and such balloting may, at its option, be confined to its own membership or include the general public.

Other propositions may be similarly submitted, and it is recommended that wherever practicable women be allowed to participate in the balloting.

The following days of each year are hereby designated as general voting days:

The third Monday in March.

The first Monday in May.

The first Monday in July.

The first Monday in September.

The third Monday in October.

In case no labor organization shall give due notice of its intention to poll the vote of a given locality the balloting as suggested may be initiated by individuals who favor advance in government.

It will be difficult to summarize results of the balloting the country over and for such information in that regard as may appear it will be necessary to consult the columns of local newspapers and particularly the many excellent journals of the reform press in which accounts of the progress of the collectivist movement in general may be found. Prominent among the latter are "The Coming Nation," a reform journal published at Ruskin, Tennessee, the "Appeal to Reason," published at Girard, Kansas, the "Chicago Express" and the "Social Democratic Herald" published at Belleville, Illinois.

For suggestions how the balloting may be conducted, and for copies of this work that can not be otherwise readily secured, address the author, A. B. Franklin, P. O. Box 277, Pueblo, Colorado.

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